

IN THE MATTER OF The Public Inquiries Act, being Chapter 258 of The Revised Statutes of Alberta, 1955, and Amendments thereto; and,

IN THE MATTER OF an Inquiry by a Royal Commission into the matters set out in Order-in-Council 861/67 respecting the use or attempted use by the Honourable Alfred J. Hooke of his office as a member of the Executive Council of Alberta, and the use or attempted use by Edgar W. Hinman of his office as a member of the Executive Council of Alberta.

PROCEEDINGS BEFORE
THE HONOURABLE MR. JUSTICE
W. J. C. KIRBY

| | |
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| S. A. FRIEDMAN, Esq., Q.C., | Departments of Government |
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| J. D. HILL, Esq. | Alberta |
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W. ALAN SHORT, ESQ.,
Clerk to the Commission.

VOLUME No. 42

DATE November 24, 1967
(Pages 4441 - 4562)

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Supreme Court Reporters
EDMONTON, ALBERTA

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A. J. Hoske - Counsel

EXHIBITSVOLUME 42November 24, 1967

MR. CLERK:

MR. CLERK: EXAMINE THE WITNESS:

Q Mr. Hoske, you have a description for the page of

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Memorandum to the Land
Committee

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A. J. Hooke - Clement Ex.

PROCEEDINGS before The Honourable
Mr. Justice W. J. C. Kirby, this
24th day of November, A. D. 1967, at
9:00 o'clock in the morning, at the
Court House, in the City of Edmonton,
Province of Alberta.

MR. CLEMENT:

Mr. Hooke please?

MR. CLEMENT EXAMINES THE WITNESS:

Q Mr. Hooke, you are still under oath for the purposes of
this Inquiry?

A Yes sir.

Q I would like to just spend a moment or two more on the
affairs of June, 1955 of Ideal Homes. There was produced
in evidence, Exhibit 444 which is a Minute, unsigned,
purporting to be a minute of the shareholders of Ideal
Homes of June 8th, 1955 and it was produced from the
records of B. C. Tanner and Company in connection with the
working papers dealing with the financial position of that
company as at June 30th, 1955 and Mr. Hooke, if you will
look at it, you will see that it deals with the matter of
\$31,910.06 which you paid to the Treasury Branch.

Now, I just want to see if there is a circumstance which
might refresh your memory about these matters. Mr. Hooke,
the Legislative Assembly Act was amended in the 1955 Session
of the Legislature and as I understand the amendment, as I
understand the amendment to Section 12 of the Act a
Prohibition was enacted against any member of the Legislative
Assembly having in effect dealings with the Treasury Branches.

Did that amendment to the Legislative Assembly Act have

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A. J. Hooke - Clement Ex.

Q (Cont.) anything to do with your actions in June of 1955 in having, in paying out the Treasury Branch loan or paying it down?

A No it didn't Mr. Clement.

Q I see. It was just the pressure of creditors that was concerning you at that time then?

A That, together with the fact that it looked as though the company would have very little alternative but to go into bankruptcy right at that moment which was something I didn't want to see.

Q Yes, quite so. Now, the question was raised and some uncertainty developed concerning the transfer of property to you by the company in consequence of your payment on behalf of the company of this sum of thirty-one thousand nine hundred dollars odd and this Exhibit 444 deals with a transfer of property to you in the way of a suggestion that it be done.

Now, was property transferred to you as described in Exhibit 444?

A No it never was Mr. Clement.

Q It never was; so that you have not at anytime received any compensation for the advance of thirty-one thousand nine hundred?

A No I haven't sir.

Q So, it is still outstanding as an obligation owing to you by the company on the footing that that money was paid for the company's use and benefit?

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A. J. Hooke - Clement Ex.

A That is right.

Q Now, in the evidence given by Mr. Bentley which I think you heard yesterday, he was discussing his instructions to prepare financial statements of Ideal Homes as of 1962 and he said he never got to a completion of the financial statements because there was some dispute between shareholders or others interested at least, in the company, as to what your position, I take it, as a creditor of the company was, the actual position was, Mr. Campbell's position was and so on and he stated that this was discussed in his presence, as I recall his evidence, discussed in his presence by you, Mr. Campbell and Mr. Spady. Do you have a recollection of that occasion which was in 1965 according to the testimony?

A Yes, I do have a recollection of it.

Q Yes, there was such a meeting?

A Yes there was.

Q And there was a discussion of that nature?

A Yes.

Q What was that discussion in your recollection, what was the issue being discussed?

A Well, as to the financial position in which we found ourselves as individuals. I would say that with about seven years having gone by that the company was doing practically nothing other than endeavouring to pay up some of the debts that it had from payments coming in from houses, the books had not been properly kept during that time, especially two

1-P-4

A.J. Hooke - Clement Ex.

A (Cont.) of the partners were busy trying to make a living and get back on their feet again. No one had ...

Q By partners, do you mean shareholders?

A Shareholders, yes, I am thinking particularly of Spady and Hooke.

MR. GILL: Chris?

Q MR. CLEMENT: Yes?

A My brother and, as I say, the books had not been well kept at the time and there was a matter of trying to sift out how we did stand.

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A. J. Hooke - Clement Ex.

Q Yes?

A I couldn't say at that moment.

Q Well, how you would stand in respect of obligations owed by the company to the three or four of you?

A And perhaps vice versa.

Q And vice versa as the case may be?

A Yes.

Q And Mr. Bentley said that that was never resolved as far as his instructions were concerned: is that correct?

A I would say that's right.

Q Was there a debate as to whether you were owed these two sums by the company, the six thousand odd and the thirty-one thousand odd?

A No, I think that was recognized.

Q Was there still some discussion about Mr. Combs' affairs?

A About -?

Q Combs, you remember you had paid Mr. Combs?

A Well, things like that undoubtedly would come up.

Q You don't recall it particularly?

A No, I don't.

Q I see, all right. Now, there are two or three other matters I would like to turn to then in connection with your interest in Ideal Homes, your continuing interest in Ideal Homes, which I presume exists to the present time. Mr. Hamilton gave in evidence that on November 8th 1962 he received a type-written unsigned memorandum, delivered to him by Mrs. Ethel Wilson, and it has been acknowledged that this memor-

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A. J. Hooke - Clement Ex.

Q (Cont.) andum was prepared by you as a draft memorandum of these claims which I take it you felt that Ideal Homes had against the City. Now, Mr. Hooke, how did it come about that you would deliver or cause to be delivered that memorandum in that fashion?

A I must say that in connection with that particular memorandum, as I made notations on things that occurred from time to time of which I was aware, and put them down in that particular memorandum, it was never intended that such a memorandum should be handed in that form to any City Commissioner. I was speaking one day to Mrs. Wilson concerning different cases, I think they had to do with something I had read in the paper of people being dissatisfied with the decision they had received from the City, I can't recall just what it was now. So I mentioned casually to her that this little company with which I was once associated had had a lengthy history, and so on, and that I had more or less jotted down the main features in connection with it. She asked me if she could read it and I said "Yes, by all means.", so I gave it to her to read. A few days later she informed me that she had passed it on to Commissioner Hamilton. She said "Commissioner Hamilton is a very fine and understanding man.", and she said "I thought I would like him to read this."

Q She was an Alderman at the time?

A She was an Alderman at the time, that's right.

Q Yes. Well, Mr. Hamilton gave in evidence that he had not heard of Ideal Homes up to that day, November 8th 1962, but,

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A. J. Hooke - Clement Ex.

Q (Cont.) or indeed spoken to you about any of these matters, but that after that date he did have some contact with you, Mr. Hooke; and the one I want to ask you about, I haven't put that very well, but he did say that he had some contact with you after that date. He also gave in evidence that in the spring of 1953 he had a call from Mr. John Campbell, and one of the things said at that meeting, which took place at Mr. Hamilton's house, remained in his memory: that Mr. Campbell had used words to the effect that if the Commissioners didn't get on with the business of the Ideal Homes the chances of the City in the annexation proceedings then going on would be lost. Did you have any discussion with Mr. Campbell touching the question of the City's application for annexation of Jasper Place and other areas?

A I never discussed such a thing with Mr. Campbell.

Q Never. Did you give Mr. Campbell any instructions to mention the annexation application in connection with the difficulties of Ideal Homes?

A No, certainly not, Mr. Clement.

Q Now, one further point, Mr. Hooke. Mr. Leger gave in evidence that you had called at his home one evening about the middle of July 1964, and that some discussion took place there. Do you recall having gone, to pinpoint it more exactly, he fixed the time of this call by you at his home as about a week or so prior to this incident of July 30th in the South Bend Motel.

A Yes.

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A. J. Hooke - Clement Ex.

Q Which I am not touching on at this moment. Now, do you recall seeing Mr. Leger at or about that period of time?

A Yes, I do, Mr. Clement.

Q Would you give the circumstances leading up to it and what transpired?

A There had been in the Edmonton Journal a statement or there had appeared in the Journal a statement to the effect that Alderman Leger had stated that Hooke, meaning me, was endeavouring to trade off to the City an old moose pasture for some first-class land in West Edmonton.

Q The moose pasture was this place with the chicken house, the chicken house on it, was it?

A That's right.

Q Out here in Wellington Park?

A Yes.

Q Yes?

A Believing that he undoubtedly did not know what the land was, and also believing that he would like to be properly informed as to where it was, what it was, I called him up, and asked him if he knew where the land was. He said "No, I don't." "Well," I said "would you like to have more information on it, it is rather difficult to come to a proper conclusion without the facts?", and he said "Yes, come on over.", and I said "On my way home I will pop in if you like and let you read the notes that I have prepared for the Land Committee so that they have proper information.". So I went over to his home. Actually this is the first time that I had had

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A. J. Hooke - Clement Ex.

A (Cont.) any contact with Mr. Leger, apart from two meetings in my own office years before about something else entirely. In other words, I was not well acquainted with Alderman Leger.

Q Yes?

A He said "Let's go down in the basement, to my office.", and so we went down in the basement, exchanged a few pleasantries, talked about other things casually, as I recall it; and then I raised the question of whether or not he did know where the Ideal Homes property was and the relative valuations that had been placed on the property, and so on, by an independent evaluator, both the City's property and Ideal Homes' property; and showed him this three or four page document that I had prepared for the benefit of the Land Committee which had been prepared upon the advice of Commissioner Hamilton. He had asked me, incidently, if I would, in order to assist the Land Committee, write out a few of the facts as I understood them to be. Alderman Leger took a look at them, glanced them over quickly, and said "Oh, so that's it." and handed me back the paper, which was as far as I was concerned the end of the conversation.

Q Well, Mr. Hooke, Mr. Leger gave some evidence, and I will just ask you some questions bearing on the evidence which he gave: did you directly ask Mr. Leger to vote at City Council meeting in favor of the exchange of land which was in contemplation at that time?

A Oh, no sir, quite the reverse. I said "Please don't

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A. J. Hooke - Clement Ex.

G. C. Hamilton - Clement Ex.

A (Cont.) interpret this in any way as my asking you to look at this other than knowing the facts."

Q Yes, and did you offer to help Mr. Leger in any way, politically or otherwise?

A Not at all.

Q I see.

Mr. Commissioner, that is all the evidence-in-chief that I have to ask Mr. Hooke at this moment. Mr. Hamilton is here, perhaps we might have Mr. Hooke stand down?

THE COMMISSIONER: Yes, I note Mr. Hamilton is here, and I think perhaps in order to permit him to return to Calgary or wherever he is going we will interrupt here. Mr. Hooke, we will interrupt your examination and have Mr. Hamilton called with respect to that one question that was raised.

A Thank you.

(Witness steps down.)

MR. CLEMENT: Yes, call Mr. Hamilton.

GEOFFREY CRAIG HAMILTON, recalled on his former oath, examined by

Mr. Clement:

Q You will recall, Mr. Commissioner, that I stated that in my view this particular point is, this particular point is not germane to the Inquiry, but since you have ruled that you wish to hear the evidence I will ask the question.

Mr. Hamilton, do you wish to be resworn or do you acknowledge you are still under oath for the purposes of the Inquiry?

A I acknowledge I am under oath.

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G. C. Hamilton - Clement Ex.
- Wright Ex.

Q The question is this, Mr. Hamilton: did you at any time receive a call from Mr. Hooke asking that there be furnished to him or shown to him a file of the City of Edmonton relating to Mr. Leger, and as I understand it having to do probably with expropriation proceedings by the City on some land owned by Mr. Leger, and I think a portion of the South Bend Motel property?

A I have had about two days or more to think about this, having been told that this question might arise. I did discuss it on the telephone with Commissioner Menzies to try and refresh my memory, and I have searched my mind as best I can, and I can only answer this way: I recall that there was some conversation amongst the City Commissioners, and I believe this also included the Mayor or the Deputy Mayor about such a file, and as one thinks and thinks about this sort of incident one can be led astray, and all I can say accurately is that I recall that there was some discussion amongst the Commissioners about this file. I think I never saw the file, I am sure I never had it in my hand, and I can give no further accurate information beyond that point.

Q Thank you Mr. Hamilton.

THE COMMISSIONER: Mr. Gill?

MR. GILL: Mr. Wright will lead off.

THE COMMISSIONER: Mr. Wright?

MR. WRIGHT EXAMINES THE WITNESS:

Q Yes sir. Now, was the reason that the file was discussed that there had been some sort of communication from the

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G. C. Hamilton - Wright Ex.

Q (Cont.) Minister of Municipal Affairs, Mr. Hamilton?

A I simply cannot answer that. I don't recall that there was such. It may be a fault in my memory but I think I would have remembered. I am sorry.

Q Yes. The discussion you remember then, or think you remember was amongst the City Commissioners?

A Well, I am certain that this so-called Leger property file was discussed.

Q Yes, but I am asking you in particular with respect to the, with respect to a request that the file be shown to someone; can you remember -

A Well, I simply cannot remember that.

Q Yes, on the other hand it may have occurred?

MR. CLEMENT: Mr. Commissioner?

THE COMMISSIONER: Now, Mr. Wright, you had your answer, he can't recall. For him to say it might have occurred is pure speculation and I am not interested in speculation, I have had considerable speculation, but he says he can't remember.

Q MR. WRIGHT: Might other people's memory be better than yours?

A Yes, of course.

MR. CLEMENT: Oh, for goodness sake!!

THE COMMISSIONER: I don't think he can speak for other people's memory, Mr. Wright.

MR. CLEMENT: I think this is reaching far into outer space.

1-B-9

G. C. Hamilton - Wright Ex.
- Crawford Ex.

Q MR. WRIGHT: What I am getting at, Mr. Hamilton, is if there is an accurate memory of these incidents by one of the Commissioners or the Deputy Mayor, you would be in no position to gainsay it from your memory?

A No.

MR. CLEMENT: Mr. Wright is certainly persistent, sir.

A I would not, for the simple reason that it may be that, for example, Commissioner Menzies had more to do with that incident than I can recall I did, or it may have meant more in some way to the Mayor or the Deputy Mayor. I am quite prepared to accept that someone may recall this better than I, but I can give no further accurate information in my mind than I have done.

Q MR. WRIGHT: Fine, thank you.

THE COMMISSIONER: Mr. Bowen?

MR. BOWEN: No questions, My Lord.

THE COMMISSIONER: Mr. Crawford?

MR. CRAWFORD EXAMINES THE WITNESS:

Q Mr. Hamilton, when did the discussion that you recall amongst the Commissioners take place?

A It seems to me that it was wintertime, it probably was in, well, I don't know, half way through my term as Commissioner, 1964 or '65, something like that.

Q You mentioned that in the last couple of days you discussed the matter with Commissioner Menzies?

A Yes.

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G. C. Hamilton - Crawford Ex.
- Gill Ex.

Q On the phone?

A Yes.

Q Is what you have given in evidence based partly on his memory?

A Partly, partly, but I have tried to be very careful not to let anyone, including Commissioner Menzies, put thoughts in my mind that I was not quite sure that I recalled myself.

Q In your discussions was there anything that he recalled to you that you have not given in evidence here this morning?

A Yes, I believe that Commissioner Menzies may have had some discussions about this matter, may have had more discussions about this matter than I did, and it may, it may be that Mr. Warner, head of the Land Department, has something to offer here that I have forgotten about. I did not check with Mr. J. R. Warner, head of the Land Department, and it may be that the then Mayor or Deputy Mayor, whoever was sitting in the chair at the time, had something more to contribute but I can't think of anything else on this matter, I simply can't.

Q You can't recall whose initiative it was to question the existence of the file?

A No sir, I cannot, I cannot.

Q Thank you.

THE COMMISSIONER: Mr. Gill?

MR. GILL EXAMINES THE WITNESS:

Q What was the meeting about?

A I can't, I am sorry, sir, I am doing my best, I simply cannot recall any further details of this matter than I have given.

1-B-11

G. C. Hamilton - Gill Ex.

Q But it was about the Leger file?

A I remember that, yes, I think I said it.

Q We have that straight?

A Yes.

Q Good. And was it about a request for somebody to see the file?

A If I say "Yes" now sir, I will be saying "Yes" to something that when I was asked about this first two or three days ago I was not prepared to say "Yes" to. I have tried, it has been in my mind, I have gone over it. I think so at present, but, of that I am sure.

Q Do you remember who initiated this request?

A No, I don't.

Q I see. Was Mayor Hawrelak in the City or away?

A Well, at that time in my recollection, this would be in my recollection during Mayor Hawrelak's term of office, and I can't accurately say from my own direct recollection whether he was Mayor, in the chair at that time or whether he was away and the Mayor's chair was filled by a Deputy.

1-M-1

G. C. Hamilton - Gill Ex.
Application to call I. Dent.

Q Were you having discussions with Mr. Hooke about Ideal Homes at this time?

A I would say that this was a continuing matter during that period.

Q So the answer to that would be yes?

A Yes, yes.

Q Thank you.

THE COMMISSIONER: Mr. Maynard?

MR. MAYNARD: No questions.

THE COMMISSIONER: Mr. Clement?

MR. CLEMENT: No questions, sir.

THE COMMISSIONER: Thank you very much for returning.

A Thank you, sir.

(Witness retires.)

MR. WRIGHT: My Lord, with respect to that, may we have the deputy Mayor who can give evidence about the matter, go into the stand? The deputy Mayor at the time was Dr. Ivor Dent.

THE COMMISSIONER: Mr. Maynard?

MR. WRIGHT: I would apply --- .

THE COMMISSIONER: I would like to hear Mr. Clement's --- .

Mr. Clement, I would like to --- the request that was made, I would like to have your comments, please.

MR. CLEMENT: Well, I'm sorry, I was just speaking to Mr. Hamilton when that was made, sir.

THE COMMISSIONER: Would you read the --- ?

THE REPORTER: (Reading)

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Application to call I. Dent.

THE REPORTER: (Cont.)

"MR. WRIGHT: My Lord, with respect to that, may we have the deputy Mayor who can give evidence about the matter, go into the stand? The deputy Mayor at the time was Dr. Ivor Dent."

MR. CLEMENT: Well, Mr. Commissioner, anything I might have to say as to calling Mr. Dent I have already said in connection with recalling Mr. Hamilton. I don't think that in the true sense of the word this has any direct bearing on the subject of the inquiry. I think it is some peripheral matter with which this inquiry is not concerned at all, and it is for that reason I have stated the position that I took in respect of Mr. Hamilton, and I have nothing further to say in respect of calling Mr. Dent.

THE COMMISSIONER: Mr. Maynard?

MR. MAYNARD: I support Mr. Clement's position, Mr. Commissioner, and that's why I didn't bother questioning Commissioner Hamilton on this matter because it is -- it is not relevant to the inquiry. Whether Mr. Hooke did in fact ask for a file concerning Mr. Leger in 1965, I can see absolutely no relevancy to this inquiry at all. However, if I appear to be opposing the calling of any witness then it perhaps can be said I'm trying to hide something --- we have nothing to hide.

THE COMMISSIONER: Any other counsel anything to say?

MR. GILL: I think it will be obvious what I am going to say, Mr. Commissioner, in that your terms are

1-M-3

Application to call I. Dent.

MR. GILL: (Cont.) to enquire whether or not Alfred Hooke used his -- or attempted to use his office for personal gain for himself, his friends or his business associates, in conflict with his public duty. This is not a trial: this is an enquiry. It might be called a probe. We have, we believe, evidence that Mr. Hooke called for Mr. Leger's file --- .

THE COMMISSIONER: Well, your evidence obviously, Mr. Gill, is very, very vague, because you suggested calling Mr. Menzies, and he didn't prove to be the witness, and then you suggested calling Mr. Hamilton, and he didn't prove to be the witness, so I would come to the conclusion that your information is very, very unreliable.

MR. GILL: With respect, sir, no, and, quite simply if Mr. Hamilton was called and didn't measure up to what we had heard, now we say, we have a statement here from Mr. Dent, and I submit that if Hamilton -- .

THE COMMISSIONER: Well, Mr. Gill, if you have some categorical statement you think that will substantiate apparently what you are trying to establish, you can discuss it with Mr. Clement and then I will hear further discussion on it.

MR. GILL: I will never warrant what a witness will say on anything, sir.

THE COMMISSIONER: Well, I will leave it on that basis, that if you discuss it with Mr. Clement and there appears to be any relevance, then I will give a ruling on the matter,

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Application to call I. Dent.
A. J. Hooke - Gill Ex.

THE COMMISSIONER: (Cont.) but I'm not going to give a ruling on the basis of the information I have before me now. We will carry on with the examination of Mr. Hooke.

MR. CLEMENT: I will consider this, sir. This brings to mind, sir, a matter you will recall which was left to Mr. Wright and myself, to see whether a witness by the name of McDonagh might be able to furnish any assistance to this inquiry, and I think Mr. Wright will concur that he will not be of assistance and it is not necessary to call him.

THE COMMISSIONER: Is that so, Mr. Wright?

MR. WRIGHT: Yes; I spoke to Mr. McDonagh myself.

THE COMMISSIONER: Thank you. Mr. Hooke?

ALFRED JOHN HOOKE, recalled, on his former oath, examined by Mr. Gill:

THE COMMISSIONER: Are you through with your examination-in-chief, Mr. Clement?

MR. CLEMENT: Yes, I was, sir, thank you.

THE COMMISSIONER: Mr. Gill?

Q MR. GILL: Thank you. Mr. Hooke, you have read through the transcript day by day of the inquiry to date?

A Pretty much.

Q In fact, you have read them very carefully, haven't you, sir?

A There was a lot of repetition I scanned through.

Q And yesterday you told us concerning Mr. Coombs in considerable detail?

1-M-5

A. J. Hooke - Gill Ex.

A Yes.

Q That, I take it, must have been etched very carefully on your memory?

A That incident was, yes sir.

Q And about this cheque for thirty-one thousand and some --- was that written under similar circumstances or around the same time?

A Around the same time, but certainly not under similar circumstances.

Q I see; not because of the change in Section 12 of the Legislative Assembly Act?

A Not at all.

Q What would you say was the content of that change concerning Treasury Branches and MLA's?

A Well, as an MLA it indicated that MLA's could no longer borrow money from the Treasury Branch.

Q You would have lost your seat if the Treasury Branch hadn't been paid back; correct?

A Not in that connection.

Q I see. Well, you were on a personal guarantee to the Treasury Branch for Ideal Homes?

A Well, it was the company that owned -- that owed the money to the Treasury Branch, and they had been on with a personal guarantee.

Q Well, did you or did you not have a personal guarantee with the Treasury Branch?

A I can't recall it at the moment.

1-M-6

A. J. Hooke - Gill Ex.

Q I see. Do you doubt that you did?

A I can't say at this time, Mr. Gill.

Q Might I see the cheque for thirty-one thousand? Exhibit 233 is the cheque that you wrote to Mr. Coombs on June 9th, 1955, for \$278.00. Is that correct, sir?

A That's right.

Q And will you look at the date of the Exhibit 443?

A It's the day before.

Q It's the day before. Do you remember that it was the day before?

A Pardon?

Q Did you remember that it was the day before?

THE COMMISSIONER: I think you should indicate when did he remember.

A Yes.

THE COMMISSIONER: Are you talking about now, or --?

Q MR. GILL: Now.

A I think I have always known that.

Q Yes.

A I have been well aware of those two cheques.

Q You remembered the 278 one with almost total recall yesterday, in your evidence.

A Yes.

Q I see, and would the fact that there was going to be a provincial election later in June of 1955 have anything to do with your issuing the cheque for the \$31,000.00?

A None whatever.

1-M-7

A. J. Hooke - Gill Ex.

Q Nothing to do with the fact that you were dealing with the Treasury Branch and wanted to get that cleared up?

A No, Mr. Gill.

Q I see; just the fact that Ideal Homes might be going to go into bankruptcy. Is that your evidence?

A I said that was part of it.

Q What was the other part?

A The fact that there was every indication at the moment, and there had been for approximately a year, that an amalgamation could be effected amongst three different companies, all engaged in this sort of -- in some facet of the construction industry.

Q What were those three companies?

A One was Acme Pipe & Supply.

Q Yes?

A And one was Brescole Industries Ltd., I believe.

Q And the third one?

A Ideal Homes.

Q Now, in June of 1955 Ideal Homes was dormant, was it not?

A It was fast getting that way, sir.

Q And were you actually still a shareholder at that time?

A No, I wasn't, Mr. Gill.

Q But you took a very careful interest in the company?

A In that the company owed me money, one reason; another was the fact that I certainly wanted to see it succeed.

Q And where were the offices of the company in June of 1955?

A 13234-127th Street, I believe.

1-M-8

A. J. Hooke - Gill Ex.

Q This is the moose pasture address, is it?

A Pardon -- yes.

Q This is the moose pasture address?

A Right. So called.

Q And there is a minute that came out of your B. C. Tanner auditing firm through Mr. Shikaze, June 8th, 1955, at that address, 13234-127th Street, at eight-thirty p.m. Yourself, your brother Chris, J. H. Campbell and H. L. Spady. It says:

"All shareholders being present notice of the meeting was waived. Mr. Hooke acted as chairman and H. L. Spady acted as secretary."

Was there in fact a meeting on June 8th, 1955, at eight-thirty p.m. on the company premises?

A I can't recall that for sure.

Q I see.

A There must have been if there is a minute to that effect, I would think, sir.

Q Would you have acted as chairman?

A It is possible.

Q Even though you weren't actually a shareholder?

A It's possible.

Q You were running the affairs of the company, were you not?

A No, I was not.

Q You were the most senior member of the company? They looked to you for advice and direction?

A I think they looked to me for assistance, yes.

1-M-9

A. J. Hooke - Gill Ex.

Q I see.

A And advice.

Q And you acted unofficially as president of the company?

A No, I can't say that.

Q But you don't doubt that this notation --- "Mr. A. J. Hooke acted as chairman"?

A That could well be.

Q And Mr. Spady acted as secretary?

A That could be. The meeting would be an informal sort of thing.

Q And it goes on:

"Mr. Hooke reported to the shareholders that he had personally paid the Treasury Branch the sum of \$31,910.06 which covered the indebtedness of Ideal Homes & Building Supplies Ltd. to the Treasury Branch. For this consideration it was suggested that the following properties be transferred to A. J. Hooke: a duplex, 7325-113th Street, equity of Ideal Homes \$16,900.00; a repossessed house on 56th Street, address 12051, value \$8,750.00; another agreement for sale of premises at 11948-52nd Street, value \$5,403.00 -- making a total of \$31,053.00, which left a credit of \$857.06 on the books."

Your evidence is, sir, that not one of those properties was ever transferred into your name?

A That's right, Mr. Gill.

Q Or into the name of Mrs. Hooke?

1-M-10

A. J. Hooke - Gill Ex.

A That's right.

Q Or into the name of any other person holding for you?

A That's correct.

Q What did happen to those three properties?

A Well, as I understand it, they continued to be paid out to assist in any debts that Ideal Homes had, but I had nothing whatever to do with them, sir.

Q Your evidence is that this \$31,053.00 represented by those three properties was eventually paid to the company, was it?

A Well, it was about this time that, acting on legal advice, some properties of the company were transferred into the name of Mr. Campbell, to be held in trust, following which I know absolutely nothing about them.

Q Do you know why that would be? Why would Campbell hold in trust?

A No, I don't know.

Q Total recall of Mr. Coombs, but you don't recall this.

A Well, there is a vast difference.

Q Is there? And it says:

"Discussion followed in which Mr. Brescole took part concerning the merger of companies."

Did that actually happen on June 8th, 1955?

A If the minute says so, Mr. Gill, I must go along with it. I do know that there were discussions at various times concerning a probable merger of these companies.

Q It goes on:

"Mr. Campbell reported that he had contacted Mr.

1-M-11

A. J. Hooke - Gill Ex.

Q (Cont.) Smeltzer and found him to be very much in favor of joining the amalgamation."

Is that correct? Campbell got hold of Mr. Smeltzer and he wanted to get in on this amalgamation?

A Again I must say if it's there it must be correct, but I do not recall it, sir.

Q In fairness I must point out, Mr. Hooke, this isn't signed. This was in your accountant's ---- and it reads in somebody's handwriting:

"Copy for B.C.T. & Co."

Do you recognize whose handwriting that is?

A I wouldn't have any idea.

Q Not yours?

A It isn't mine.

Q Then it goes on:

"Discussion arose re allotment of shares in new company. Mr. A. J. Hooke suggested that shares be allotted in proportion to each shareholder's equity in the assets, namely, as follows: C. E. Hooke and J. H. Campbell 7,500 shares, A. J. Hooke 16,000, H. L. Spady 9,000 shares, Brescole and Frank Smeltzer 10,000 shares each for their assets."

What assets would Brescole be bringing in?

A At this late date I can't say. I do know that his product was being sold -- .

Q That was the Acme Pipe?

A -- successfully.

1-M-12

A. J. Hooke - Gill Ex.

Q That was the Acme Pipe?

A No, that was Brescole Industries Ltd., which manufactured dry mix.

Q And Frank Smeltzer, what did he have to bring in?

A I don't know, sir.

Q You do not know or you do not recall, sir?

A Well, I would say both could be right. I certainly don't recall at this stage.

Q And would you have known on the 8th of June, 1955?

A Well, if in fact it was discussed I would, but I cannot recall the discussion.

Q Why would you get 16,000 shares in this proposed new company?

A I made it perfectly plain that I wanted no part of any company. All I was concerned about was seeing that the amalgamation got on its feet, and, as far as I was concerned, pay me back what I had put up. That's all I was concerned about.

Q Well, the 16,000 shares that you were to get, according to this Exhibit 444, that would represent your equity in Ideal Homes?

A I can't recall now.

Q And that note is dated the same day as your cheque for \$31,910.00, June 8th, 1955?

A That would be right -- the dates correspond.

Q And that was just the day before you met with Mr. Coombs?

A It must have been.

1-M-13

A. J. Hooke - Gill Ex.

Q When was the election in 1955, do you recall?

A I don't recall the date, sir, no; I would have to look it up.

Q Very well. Now, getting back to Capilano and the English lands that you acquired, how would you happen to have 500 pounds still on deposit in Britain? Did you leave it there for a purpose, or in the hope that you would be back?

A Yes, expecting that I would be back, and the value, I think, of the pound was dropping. I hoped that I would be back at some future time, and fully expected that I would.

Q You were there in December of 1947 and early 1948; is that correct?

A I believe I arrived in London on New Year's Day.

Q 1948?

A Right.

Q With Mr. McMullen?

A Right.

Q Who was appointed Agent-General for Alberta?

A Correct.

Q And who comes from originally your riding, I believe?

A Yes, he does.

Q And you have known him for many years?

A Since 1940, I think.

Q He being a police constable in your riding?

A Yes, he was, R.C.M.P.

Q And you had known him in that connection?

A Right.

1-M-14

A. J. Hooke - Gill Ex.

Q And so on your recommendation he became Agent-General?

A He was in the Civil Service.

THE COMMISSIONER: I don't, Mr. Gill, see any particular relevance in that.

A He -- .

MR. GILL: Well ---.

A -- was in the Civil Service prior to that time, sir.

2-P-1

A. J. Hooke - Gill Ex.

Q The Alberta Civil Service, in what capacity?

A Public relations officer.

Q And when had you previously been to Britain before December '47 or January '48?

A When I left there as a youngster, sir, on the 20th of September 1913.

Q 1913. Well, there is quite a gap between your two visits at that time?

A Between having left and my first visit, yes.

Q And when were you back again after 1948?

A I think my next visit was 1954.

Q Six years later?

A Yes.

Q So you were going to leave money just on the off chance you might need it in Britain?

A There was another reason as well.

Q What was that?

A Between two personal friends, Mr. McMullen and myself, neither one of us had much money, he certainly didn't as a Civil Servant. I suggested that where necessary if he need it to furnish his home I certainly would be happy to let him have it.

Q And he didn't need it?

A That's right.

Q And you had borrowed the money to take over there?

A Yes I did Mr. Gill.

2-P-2

A. J. Hooke - Gill Ex.

Q And so you just left it there?

A That is right.

Q It wasn't at interest?

A No.

Q And you bought this property without even looking at it, is that your evidence?

A Yes.

Q And then it took some time to get the title in your name?

A That is right.

Q Major Lockhart was the secretary of the Parliamentary Association?

A That is right.

Q And he wrote to you when you came back, is that it, telling you he had an offer of this land of \$1,000.00?

A Some time after that time.

Q Have you got that letter? Did you keep that letter?

A I don't think I have that particular one. I have... it didn't mean a great deal and like so many records of that age, one is apt to lose parts of them but I do have some letters.

Q And did you just transfer your English account to them in exchange for this money or did you get some money back or did you pay a little extra?

A No, it was just transferred to him.

Q And do you recall how many pounds it was exactly?

A To the best of my knowledge it was five hundred but if there was a slight variation, that could be, without my recalling it

2-P-3

A. J. Hooke - Gill Ex.

A (cont.) at this late date, sir.

Q What bank was it with?

A The Royal.

Q Do you remember the address?

A No I don't.

Q The Royal Bank of Canada?

A In London.

Q In London. Was it the Cxford Street bank near Canada House?

A It could be, I don't know.

Q You don't recall?

A No, I don't recall.

Q You don't have the bank book?

A No.

Q Or their statements?

A No.

Q When did you finally transfer the money to the English estate?

A I think it must have been about 1952, perhaps.

Q The evidence Mr. Hooke is that you finally got title, I believe, if my memory is correct, approximately April 24th, 1953?

A I think that is correct, sir.

Q And you would leave the account sitting in London then from 1948 to 1953?

MR. MAYNARD: 1952.

Q MR. GILL: 1952?

2-P-4

A. J. Hooke - Gill Ex.

A Well I did, that is correct.

Q I see, and without interest?

A Surely.

Q And it is within a month or so after you got title that you were dealing with Mr. Maber?

A It would be more correct to say that Mr. Maber was dealing with me.

Q I see, he telephoned you, did he?

A Yes sir.

Q Would you show the witness Exhibits 92, 93 and 94 please.

Now, Exhibit 92 is your transaction with Mr. Maber was it not, the two lots, 29 and 30, for a total price of \$1,000.00, all cash on or before August 15th, 1953?

A Yes.

Q And that resulted in a transfer, Exhibit 66, July 3rd, 1953?

A I think that is the one I saw yesterday.

Q It is sir. And then Exhibit 93 was your transaction with Mr. Sladden, Lots 9 and 10 for a total price of \$1,000.00, all cash on or before August 15th, 1953 and that transfer was Exhibit 55, July 3rd, 1953 that you looked at yesterday?

A Yes.

Q Why do you call Exhibit 94 an option, sir? You are taking a considerable time Mr. Hooke?

A Yes I am Mr. Gill. I am endeavouring to recall some of the conversation that took place at this time. This says the purchaser agrees to increase the deposit to \$3,000.00 by the first day of June, 1953. This was never done.

2-P-5

A. J. Hooke - Gill Ex.

Q Did you get the \$350.00 that it mentions as part purchase price?

A Of Block 5?

Q Of Block 5, that is Lots 1 to 30 of Block 5, the document you are looking at, Exhibit 94?

A I can't recall that I ever received anything in connection with Block 5.

Q That is your signature down on the lower right hand corner or, a reproduction of it?

A Yes, it is.

Q And this appears to be Mr. Sladden's signature opposite the word purchaser?

A It certainly looks like it.

Q And the words at the bottom 'I agree to sell the above lands at the price and on the terms hereinbefore set out. This document to constitute an agreement for sale.' You didn't label it when you were signing it as an option, sir?

A No but I know it was regarded that way between both parties.

Q Well as I understand your evidence it is when the City decided they were going to make it into a park that you then went back to Mr. Mabey and said you couldn't proceed with the transaction?

A I phoned to him sir.

Q I see?

A And told him that.

Q Now, Mr. Sladden's evidence was somewhat different sir, you have read it probably?

2-P-6

A. J. Hooke - Gill Ex.

A Yes I did, sir.

Q You recall at page 3534 he says:

"Eventually the Municipal District of Strathcona said that they would not issue permits, they had had a letter from the City of Edmonton and Terry ..."

That would be Maber, I take it?

A Yes.

Q "... went out to see about getting our deposit back and at this time Mr. Hooke offered us these four lots rather than give us a deposit."

Now, is that true?

A They certainly insisted they wanted the four lots regardless of the fact that Block 5, the latest information concerning it, indicated that it was still undermined.

Q But ...

A So ...

Q Go ahead, sir?

A Do you mind repeating the last part of your question again? Before you said is it true, you made a statement.

Q Mr. Reporter?

A Reading from your --

Q I am looking at page 3534 Mr. Hooke, I know it helps to look at it, up here:

"Eventually the Municipal District of Strathcona said that they would not issue permits, they had had a letter from the City of Edmonton and Terry went out to see about getting our deposit back and at this time

2-P-7

A. J. Hooke - Gill Ex.

Q (Cont.)

" Mr. Hooke offered us these four lots rather than give us a deposit."

My question is, is that true?

A I can't recall the actual happening as he outlined it but I can recall that though they had an adverse opinion from Strathcona they nevertheless wanted to buy the four lots. The difference I think is that he is saying I offered them and I am saying they requested them.

Q Thank you, and did Mr. Maber go out to see you about getting X.L. Holdings deposit back?

A I don't recall that happening Mr. Gill.

Q And do you recall anything about the M.D. of Strathcona not issuing building permits for these lots?

A I checked that out for myself and received the same information as they had received that they could not issue building permits there until the undermining, until the caving was complete.

Q But that land by now was in the City of Edmonton, wasn't it?

A The first time that I had knowledge of the fact that it could not be built on it was at that time in Strathcona. I believe it came into Edmonton in 1954 Mr. Gill if I remember correctly.

Q At page 3535 in an answer, Mr. Sladden says:

"So at this point, I mentioned to Mr. Maber that we had better see about getting our deposit back and he apparently had a chat with Mr. Hooke and Terry came

2-P-8

A. J. Hooke - Gill Ex.

Q (Cont.)

" back and said that Mr. Hooke would prefer to sell us four view lots that he had in the same area that would be more of a holding proposition and we discussed it and decided that they would be worthwhile so we went out, I presume it was about August 15th, in the evening and that is the first and only time I have ever met Mr. Hooke."

Now, is his evidence there correct?

A I would say that there was never any question of the deposit being paid back because as I recall it they really did want the four view lots.

Q You knew they were view lots?

A Only from what I had heard, I hadn't seen them.

Q I see. Why would you describe them as view lots if you hadn't seen them?

A Simply because they did sir.

Q And you don't think they had actually given you a deposit?

A Well I couldn't swear to that.

Q You have no records one way or the other?

A No I haven't Mr. Gill.

Q And did Mr. Sladden actually come out and see you?

A I can't say that he didn't so, in all probability he did. I can remember that on one occasion I saw both of these men at the same time.

Q Wouldn't that be in July of 1953 when you signed these two transfers?

2-P-9

A. J. Hooke - Gill Ex.

A My memory isn't all that good, I wouldn't be sure.

Q I think you told us ... might I see Exhibits 65 and 66 please?
... That you thought these transfers had been done in the
office of your solicitor, the transfer of the two lots to
Maber and the two lots to Sladden, Exhibits 66 and 65
respectively. Does your signature I believe here, isn't that
right sir?

A Yes.

Q And witnessed by?

A Mary Shaw.

Q Mary Shaw or Maude Shaw?

A Maude Shaw.

Q And the same witness to the other transfer?

A Yes.

Q Both dated July 3rd, 1953. Who is Maude Shaw?

A I think she must be the secretary of Mr. George Bryan, I am
not sure.

Q You will notice at the back of the transfer normally law
offices put their names on their documents, you are aware of
that probably, are you?

A No, I can't say that I am too familiar with what lawyers do
in that connection.

Q At the back of both Exhibits there is no name of any law firm,
is that correct?

A I can't see it.

Q And the transfers are drawn, Exhibit 66 is handwritten, much
of it, isn't it, the name Terrence F. Maber is in writing?

2-P-10

A. J. Hooke - Gill Ex.

A Yes.

Q I am wondering, didn't they come out to your farm at that time?

A There again sir I certainly can't recall that they did.

Q Might they have done?

A They might have done, I wouldn't say they didn't.

Q When Mr. Sladden at page 3536 says ...

"Mr. Hooke seemed genuinely disappointed that he had not been able to go ahead on the other deal that we had made."

... Would he be correct?

A No, I wouldn't say so.

Q "It appeared to me at the time that he could use the money and that we then .. he showed us around his farm and we were out there I guess, about three quarters of an hour which was in the evening."

You have no recollection of that meeting?

A No I can't Mr. Gill.

Q I see, and at page 3537, Mr. Sladden goes on, his answer:

"I think that night we gave him the balance of the money and received the transfers."

He is speaking of Exhibits 65 and 66. Do you recall any of that?

A No, I am sorry I don't.

Q But you are not saying that Mr. Sladden is incorrect in his recollection?

A Well, I would certainly not say he is deliberately incorrect.

2-P-11

A. J. Hooke - Gill Ex.

Q But you did get the \$2,000.00 represented by those two transfers?

A Yes I did, that I do remember.

Q And you are not certain what happened to the \$350.00 deposit on Block 5?

A It undoubtedly was applied on the \$2,000.00.

Q Then you did get it?

A Pardon?

Q You did get the \$350.00?

A Well, if they say that was it, I am going to accept that.

Q I see. Well, at page 3546, Mr. Sladden says:

"Well, just from the conversation that night. He said--"
Referring to you

"He mentioned that he was glad we were taking these other
lots rather than getting a refund of our money."

Might you have said that?

A I might have said that and I can think of why it might have been so.

Q Why was that so?

A I was going for a two week trip down to Portland, Oregon so, I may have said that.

Q So you don't quarrel with his evidence then?

A Not on that score.

Q But you part company with him when you say you had to get out of Exhibit 94, the deal on Block 5, because the City of Edmonton had informed you they were going to make a park of this land and Mr. Sladden's evidence is that they couldn't

2-P-12

A. J. Hooke - Gill Ex.

Q (Cont.) get permits from the M.D. of Strathcona?

A Yes, I part company with him there.

Q He says at page 3547:

"As far as I am concerned the reason I gave it up was because -- I have forgotten now whether I phoned or was told that the Municipal District had received a letter from the City of Edmonton asking them not to issue permits in this area."

He is wrong there, is he?

A He does not necessarily be wrong as I recall the meeting with Mr. Maber in that they were disappointed when they realized that they were going to have to wait some length of time and it was an indefinite length of time before it was possible for them to build but they did want to continue having an option on the block.

Q And you couldn't let them continue with that option?

A Well, we simply recognized that they had the first offer of refusal.

Q Now, in Exhibit 91, would you show that to the witness please? That is your statement I believe that was tabled in the House concerning this deal and at page 4 you say:

"I spoke to Commissioner Menzies and at the same time I pointed out to Mr. Menzies and the Mayor that so far as I was concerned I had no interest whatever in disposing of the land!"

and, if I may summarize basically you got in touch with Mr. Pat French and Federal Equipment due to the efforts of the

2-P-13

A. J. Hooke - Gill Ex.

Q (Cont.) City of Edmonton?

A I did not get in touch with Mr. French Mr. Gill, he got in touch with me.

Q And the agency that produced Mr. French was the City of Edmonton?

A Right.

Q And it was Mr. Menzies who spoke to you about this?

A That is correct.

Q You have dealt with Mr. Menzies off and on for a number of years?

A Yes I did.

Q At page 3377 I asked him:

" And in effect did not the City of Edmonton in return for Mr. Hooke's Block 5 find him land and a purchaser and a profit of \$16,000.00?

A No, I don't think we were a party to that."

A Who is speaking there please?

Q Commissioner Menzies, book 32, November 7th. He continues on the same page

" But in the meantime Federal Equipment had been found by the City of Edmonton?

A No, I can't agree with that."

Mr. Menzies is wrong then is he not according to your testimony?

A I hate to say any man is wrong, sir.

Q Well, this is a fairly important matter?

A That is true, and my recollection is entirely different, I

2-P-14

A. J. Hooke - Gill Ex.

A (Cont.) would prefer to put it that way.

Q But sir, you are under oath?

A I realize that.

Q And giving sworn testimony?

MR. CLEMENT: Mr. Commissioner, I must interject on this. It is my recollection that a subsequent witness from the City of Edmonton did give testimony that Mr. French was put in touch with Mr. Hooke by the City agency.

Q MR. GILL: Quite so but, you disagree with Mr. Menzies' recollection?

A Oh yes.

Q And he was asked:

" Who put Mr. Hooke and Federal Equipment together to make a deal?"

His answer is

" I don't know, I have no idea."

Your answer would be 'Commissioner Dudley Menzies'?

A Yes it was he, sir.

Q Would you show the witness Exhibit 363? You will see that that is a document that might be called a building commitment would that be a fair description of it, sir?

A Yes, I would say so.

Q And your attorney Mr. George Bryan signed it under Power of Attorney on page 4?

A Yes he did.

Q And it is dated the 27th of May, 1954, at the front Mr. Hooke?

A Yes.

2-P-15

A. J. Hooke - Gill Ex.

Q And it is between the City of Edmonton and yourself,
correct?

A That is right.

Q And the first page, halfway down, the purchaser, which is
yourself, covenants that you will commence erection of a
warehouse building with office that will cost approximately
\$80,000.00. You had no intention at all of building a
warehouse?

2-B-1

A. J. Hooke - Gill Ex.

A I did not, sir, and that was the understanding with the City also.

Q Will you look at page 2 and paragraph 4, it reads:

"That the purchaser ..."

yourself,

"... covenants not to assign his right title or interest or equity in or to the said lands as herein described at any time while this agreement remains in force and effect without the express written approval of the City Commissioners, which may be withheld ..."

etc. Did you not assign that land to Federal Equipment?

A It must have been done but there is a story attached to this which possibly cannot come out so well in questions and answers.

Q Perhaps you would just like to tell it?

A When the City contacted me concerning this land, after some telephone calls which I stated yesterday, it was agreed that they wanted Block 5 for park land, that they in turn would exchange an area of land in the Bronx, which was industrial land.

Q Which was this land?

A That is right, sir.

Q Mentioned in Exhibit 363?

A Correct.

Q Continue?

A For a difference of \$12,000.00.

Q And you didn't have \$12,000.00?

2-B-2

A. J. Hooke - Gill Ex.

A I didn't have twelve thousand cents at the time I think I said, which is more nearly correct also.

Q That is \$120.00?

A At any rate, the understanding was that they themselves, in order to bring about a condition in which I could receive for Block 5 approximately the same amount of money as I could have received from Mr. Mabey and Mr. Sladden had that been proceeded with, the City would make sure that an arrangement was made which would bring that about.

Q In other words, they were going to do an exchange that produced a purchaser that would produce the money you wanted for your Capilano property?

A That is right.

Q And you at that time were Minister of Economic Affairs?

A Yes sir.

Q And you would be dealing with the City of Edmonton from time to time in your capacity as that Minister?

A Well, very very little actually except whenever I had knowledge of the possibility of an industry coming into the area, we more or less had an arrangement between us that the Industrial Commissioner for the Province and the Industrial Commissioner for the City would keep in touch with each other.

Q And the Industrial Commissioner for the Province reported to you, he was under your jurisdiction?

A Sometimes directly, sometimes through the Deputy Minister, depending on the circumstances.

2-B-3

A. J. Hooke - Gill Ex.

Q Yes, and with all the advent of new industry burgeoning at that time you were in very close touch with it, were you not?

A I certainly kept in close touch, Mr. Gill, with industrial promotion in this Province.

Q Endeavouring to do what you could to encourage industrial development?

A That is right, being responsible for it.

Q And at the same time you were then doing this exchange with the City of Edmonton?

A Entirely at their request, Mr. Gill.

Q But you did sign through your attorney that you would not transfer or assign your right, title or interest in that building agreement of the land that Federal Equipment were buying?

A I had given to Mr. Bryan the story of the understanding as I had it with the City, in other words I knew nothing whatever concerning the mechanics. What I did know was that Federal Equipment would pay the City \$12,000.00, the land would be transferred from the City to Federal Equipment.

Q Well, did you in fact pay the City yourself \$12,000.00?

A No, I did not, sir.

Q No, so Exhibit 431 which shows cost, purchase price from Cranstoun Estate, \$1,500.00, property taxes twenty-nine sixty-six, paid to City of Edmonton as part of the land trade transaction, \$12,780.00; you did not write a cheque for that?

A No, this was all done between Mr. Bryan and I cannot recall now the name of the lawyer who acted for Federal Equipment.

2-B-4

A. J. Hooke - Gill Ex.

A (Cont.) I was not in the country at the time.

Q Well, I suggest -

MR. CLEMENT: That was Mr. Bloor, sir, and he has no recollection at this time.

Q MR. GILL: When did you see Exhibit 363 for the first time?

A I don't know.

Q Perhaps not until these proceedings?

A You mean pertaining to the -

Q The commitment, the building commitment and the signature by you through your attorney that you would not assign and that you would get express written approval of the City Commissioners to any transfer or assignment?

A Yes, I did see it before this Hearing, that is true.

Q Now, did you in fact obtain express written approval of the City Commissioners to the transfer to Federal Equipment?

A Mr. Gill, let me say this, that so far as I was concerned the deal was this: the land which I owned was to be transferred to the City, the land which the City owned was to be transferred to Federal Equipment, \$12,000.00 was to be paid to the City, the remainder of approximately \$16,000.00 was to be paid to me. Now, so far as the mechanics are concerned, sir, I simply phoned to Mr. Bryan and told him these were the circumstances and gave him Power of Attorney and went to the Old Country.

Q But you were back in time to sign the transfer, Exhibit 364, on the 22nd of October '54, from yourself of this Block E

2-B-5

A. J. Hooke - Gill Ex.

Q (Cont.) which is the Bronx property, to Federal Equipment and Supply for a consideration shown on the face of the transfer of \$29,000.00; that is a replica of your signature, sir?

A Yes, I would say so.

Q And similarly -

A Mr. Gill, when my lawyer asked me to sign something I take it for granted that it is right and proper. In that case certainly that is what I did, that is what I have done in every other case where I have had any transactions of that nature. As I say, the mechanics of the transaction I had nothing to do with.

Q Do you of your own personal knowledge know of anyone else who has similarly made such an exchange with the City of Edmonton, including a ready-made purchaser?

A I cannot say that I know that but I do know that the City of Edmonton is exchanging land with private owners very very frequently, perhaps not so much so now as then, but in those days it was very common.

Q And the fact that you were Minister of Economic Affairs for the Province of Alberta had nothing to do with this, is that your evidence?

A Yes, that is my evidence. As a matter of fact I was endeavouring to cooperate fully with the request of the City of Edmonton.

Q And you felt you did?

A Pardon?

2-B-6

A. J. Hooke - Gill Ex.

Q And you felt you did?

A Yes, I certainly did. I lost money doing it.

Q Well, you made sixteen thousand, sir?

MR. MAYNARD: Oh, now, Mr. Gill!

Q MR. GILL: Well, by his own evidence I think that is what the transaction netted out to you, was it not, Mr. Hooke?

A I am not thinking of that at the moment.

Q Well, this is lost profits, is that what you are thinking, or lost opportunity?

A Yes. I kept my word where perhaps it was not necessary to do so.

Q Do you wish you hadn't?

A No sir, I don't. Once I give my word I stay with it if I can.

Q I would hope so. Mr. Manning is a personal friend of yours?

A Well -

Q You have been in this business now for many years?

A That is right. We don't fraternize, if that is what you mean.

Q No, I am not asking that: do you regard him as a friend or not?

A Yes, I do.

Q And Mr. Arthur Arnold up to a few years ago, was he regarded by you as a friend?

A Yes. We didn't visit back and forth either.

Q Well, you don't have to do that to be friends with people, do

2-B-7

A. J. Hooke - Gill Ex.

Q (Cont.) you?

A No, you don't.

Q And did you know that Mr. Arnold when you were Minister of Public Works was doing work on the Premier's house?

A No, I did not, Mr. Gill.

Q Did you know that other people were doing work from the Department?

A No, I was not aware of it.

Q I see, and what about any of the supplies, do you know anything of that at all?

A Nothing whatever.

Q When did you first meet Mr. Holloway?

THE COMMISSIONER: Mr. Gill, does this have any relationship to the City of Edmonton?

MR. GILL: Ideal Homes.

THE COMMISSIONER: I mean to Ideal Homes? I wasn't aware that Mr. Holloway was connected with Ideal Homes and that is why I raised the question.

MR. GILL: That may be, sir, but I was just sort of ticking off friends. No, I think this is the one transaction where Mr. Holloway -

THE COMMISSIONER: I didn't appreciate that Mr. Holloway had anything to do with Ideal Homes and the City of Edmonton, and if that is so I thought we might not embark on that until we come to Sherwood Park.

MR. GILL: Quite right, the one transaction that I don't think that Mr. Holloway has shown up.

2-B-8

A. J. Hooke - Gill Ex.

MR. CLEMENT: Well, Mr. Gill ascertained that in connection with the Rocky Mountain lease too, Mr. Commissioner.

MR. GILL: And I will do it with other things too.

MR. CLEMENT: I am sure you will.

Q MR. GILL: Now then, Mr. Campbell was very useful to you, was he, sir, in Ideal Homes?

A Well, I wouldn't say that he was useful to me, I can't say that he was useful to me, Mr. Gill.

Q Well, he did a lot of the things that you might have had to have spent time on were it not for Mr. Campbell, is that correct?

A Let me say that I had no intention of spending any time on this, I was fully occupied with my duties as a Minister.

Q Those intentions didn't quite come off, did they; Ideal Homes consumed a lot of your time?

A May I make a short explanation?

Q Certainly.

A As I stated, I am a high school teacher by profession; I knew by 1950 that, as a matter of fact I knew before, that the very people that vote you in very often vote you out; I knew by 1950 that certainly if I were defeated that it would not be easy to get back into the profession.

Q When had you last taught? When had you last taught?

A June 1935.

Q Once you were elected you never went back to teaching?

A No, I did not.

2-B-9

A. J. Hooke - Gill Ex.

Q Continue?

A And I was certainly in a position where I was raising a family and I knew that so far as I was concerned that I ought to endeavour to prepare myself for any eventuality, and that is why I believed that a little company such as this might offer me that opportunity if the time came that I were defeated.

Q It was a hedge against defeat?

A Yes, you could say that.

Q May I have Exhibit 442? Well, the company was your idea?

A Well, between me and my brother-in-law.

Q And what portfolio did you hold in June of 1950?

A I believe I held two at the time, I think Provincial Secretary and Minister of Economic Affairs.

Q And you still had time to devote to this little company, as you call it?

A Practically none, sir.

Q Well, was this why you needed Mr. Campbell, to assist you when you wouldn't have the time to give attention to this company?

A Well, certainly it was not necessarily Mr. Campbell.

Q But there was your brother and your brother-in-law and yourself?

A That's right.

Q Spady?

A My brother-in-law and Mr. Campbell came in about the same time.

2-B-10

A. J. Hooke - Gill Ex.

Q I see, initially it was you and your brother?

A Brother-in-law.

Q I see, initially you and Mr. Spady?

A Yes.

Q His background was farming?

A Mainly, he had been in the general store business.

Q Was not Ideal Homes incorporated some time in June of 1950?

A I think so.

Q In looking at Exhibit 442 you will see there is an earned surplus for a net profit for the eight months ended December 31st 1950 of \$11,000.00; can you explain why that balance sheet shows that the company was in business for eight months, and yet the incorporation was only in the sixth month of the year?

A No, I can't, sir, and I know nothing about this end of the business at all.

Q Who looked after that?

A Mr. Spady kept the day to day transactions and B. C. Tanner took care of such things as this.

Q I see, and the first thing the company was going to do was build houses, is that correct?

A That is right.

Q And then it got into the lumber supply business?

A Yes, it was not intended in the first instance.

Q I see. Well, you did in fact change its name, didn't you?

A Yes.

Q From Ideal Homes to Ideal Homes and Building Supplies?

2-B-11

A. J. Hooke - Gill Ex.

A Yes, we did, we were running into difficulties in securing lots in the City of Edmonton.

Q In what year?

A By about 1951.

Q I see.

A I might say that many of the lots on which we built to start with were arranged for ahead of time, before the company was established.

Q Who did that?

A Bought from private individuals, I think both of us.

Q Spady and yourself?

A Right.

Q Well, you say you met Combs only on two occasions, is that your evidence?

A Prior to the -

Q Confrontation?

A - famous day, yes.

Q June 9th 1955?

A Right.

Q Well, have you any idea how much business Mr. Combs had done with your company?

A No, I hadn't any idea.

Q If an Exhibit shows that \$22,162.00 of business, would you disagree with that figure?

A Well, I couldn't, sir, because I didn't know.

Q I see, and the fact that your company did business with the Chemcel plant, Brown and Root were building it, had that any

2-B-12

A. J. Hooke - Gill Ex.

Q (Cont.) connection with your office as a Minister of the Government?

A None whatever, I would very much doubt if they knew I had any interest.

Q Brown and Root?

A Yes, I would doubt that very much.

Q And how would your company know of Brown and Root?

A Well, by this time certainly it was, it was known that they were going into business in the City of Edmonton, and it was the common practice in that particular day and still is for such companies to call tenders for supplies and so on.

Q And is this one of the reasons you changed the name of the company?

A When we discovered that it was going to be next to impossible to get lots in any quantity we realized that we should then branch out into something else. We had certainly every reason to believe that the building supply business could be a successful business as well.

Q And was it?

A Well, there again I am not familiar with the details, but I do know that we had two trucks delivering lumber from, to places as far away as Southern Alberta, Peace River, Lloyd-minster.

Q But actually the success of the company for capital would depend on your borrowing money from the Treasury Branch, that is where the money was planned to come from, wasn't it?

A It was planned to come from?

2-B-13

A. J. Hooke - Gill Ex.

Q Yes?

A No, we, I cannot say that that is so.

Q Well, where were you going to find capital for this company?

A Well, we certainly used the Royal Bank I know for some length of time.

Q When did you first apply to the Treasury Branch for credit?

A I don't remember.

Q Do you recall how much you applied for in the way of credit from the Treasury Branch?

A I didn't until I read it in the transcript I believe.

Q The figure was \$60,000.00 was it not?

A That is running through my mind, that I read, I believe we were turned down too, weren't we?

Q No, Exhibit 323 has a note on the back:

"Not proceeded with, application number 1966, revised
April 3rd 1951."

Is that what happened according to your recollection?

A My recollection is not that good, Mr. Gill; I wouldn't know now.

Q I show you a document, Exhibit 323, Application for Credit, dated January 12th 1951, the name of Ideal Homes Limited, A. J. Hooke President, H. L. Spady Secretary, Statement of Affairs dated January 8th '51, Statement of Affairs of A. J. Hooke and Spady January 11th '51; you will notice "Particulars of collateral security offered", down at the bottom, "Letters of Guarantee signed by A. J. Hooke and H. L. Spady for \$65,000.00 each": is that what the document says, sir?

2-B-14

A. J. Hooke - Gill Ex.

A That's what it says.

Q And then you didn't proceed with that particular application; do you remember why?

A No, it was running through my mind that it was not accepted, sir.

Q And Exhibit 323A, January 12th '51, Mr. Gavin, the Manager, to the Superintendent of Treasury Branches at Edmonton, that is the Manager of the main Treasury Branch in Edmonton?

A Yes.

Q The last paragraph from the bottom but one says:

"Taking all phases into consideration we would be prepared to recommend an original credit of \$60,000.00 as per the application on the understanding that this did not infer any further commitments."

So that would appear that the application could have been, would have been granted if you had wanted it?

A Well, that would be from the standpoint, sir, of the recommendation of the Manager, and that does not mean that it would pass the Loan Committee.

Q Do you have any evidence that it did not pass the Loan Committee?

A No, I haven't.

Q And who consisted of the Loan Committee in 1951, do you remember?

A No, I don't know, sir.

Q You were not a member of it?

A Oh, no, it was in the Treasury Branches.

2-B-15

A. J. Hooke - Gill Ex.

Q Within the Treasury Branch itself?

A Right.

Q You will note this rather interesting last paragraph, Mr. Hooke:

"In other similar financial circumstances we would be reluctant to recommend a credit to this extent, but frankly we are influenced by our belief in Mr. Hooke's ability and integrity."

You notice that paragraph referred to?

A Yes.

Q Would that have anything to do with the fact that you were Minister of the Crown at that time?

A No, I am sure it wouldn't.

Q On what basis are you sure?

A Pardon?

MR. CLEMENT: Now, My Lord, he is asking the witness to explore what is going on in somebody else's mind, and this happening back in 1951; it does seem again -

THE COMMISSIONER: What was the question?

MR. GILL: Mr. Hooke said "I am sure it wouldn't." meaning that his position as Minister of the Crown would not have any belief in it and I said I think "On what basis are you sure?", and he says he is sure.

THE COMMISSIONER: I don't believe, Mr. Gill, any person can explain what is in other people's minds.

Q MR. GILL: We will leave that as entirely for you, sir.

2-M-1

A. J. Hooke - Gill Ex.

Q (Cont.) I am showing you the document Exhibit 326. Whose signature is that?

A I think that is mine, Mr. Gill.

Q Do you think or are you sure?

A Well, I have never seen anyone else sign exactly the same as I do.

Q So it is your signature?

A It must be.

Q And this is your handwriting?

A No, this is not my handwriting at all, just the signature.

Q Just the signature -- but the same pen used with the half-share of Ideal Homes being shown as worth \$10,000.00 -- that isn't your writing?

A No, it isn't.

Q And that was in front of the manager of the Treasury Branch?

A I presume it was.

Q It appears to bear a date the 11th of January, 1951?

A Yes.

Q Or some similar date?

A Yes.

Q And certainly 1951, and it looks like January, doesn't it?

A Yes, it does.

Q You valued in January 1951 your half-share in Ideal Homes at \$10,000.00, sir -- according to this document?

A According to that document, yes.

Q Was that its true valuation or was it just put down to try and get as large a line of credit as you could?

2-M-2

A. J. Hooke - Gill Ex.

A That was put down undoubtedly by someone else other than me after this person had asked sufficient questions.

Q Well, did you --- .

A And got sufficient answers.

Q Would you put down the valuation of \$10,000.00, or someone else?

A Someone else would do that.

Q On information supplied by you?

A Certainly answers that he would get from questions asked, the same as any banker does.

Q Wasn't Ideal Homes in 1951, the early part, having a deficit?

A What was that again, please?

Q Wasn't Ideal Homes in the early part of 1951 having a deficit?

A Well, if the record shows that I shall have to admit that is true.

Q Not otherwise, sir?

A Well, again you are asking me to recall something that took place so many years ago.

Q I realize that, Mr. Hooke. I'm showing you a statement of Ideal Homes Ltd., Exhibit 439, as of April 30th, 1951, with the statement of profit and loss from June 17th, 1950, the date of incorporation, until April 30th, 1951, with a net loss of \$3,421.00; correct?

A Yes, that's what the statement says.

Q And shows a deficit on the balance sheet at that time?

2-M-3

A. J. Hooke - Gill Ex.

A Yes.

Q And signed by B. C. Tanner?

A Yes.

Q Did you know that at the time when you signed the application for credit, you were asking for \$60,000.00, and stated that your half-share of Ideal Homes was worth \$10,000.00?

A I don't know how those dates compare, sir.

Q Well, April 30th, 1951, and your Exhibit 326 is January, 1951.

A Well, if this occurred before the application I must have known it.

Q I see, and it would appear, would it not, sir, that all these applications for credit with the Treasury Branch -- Exhibit 327, Exhibit 323 --- all mention letters of guarantee signed by A. J. Hooke and H. L. Spady. Correct?

A Yes.

Q When you gave that cheque on June 9th -- or June 8th, 1955, Exhibit 443, for 31,000 and some odd dollars, didn't you make sure you got your personal guarantees back?

A I think perhaps that must have happened.

Q Page 2089 in these proceedings, in examining Mr. Davey -- whom you know?

A Yes.

Q The Superintendent of Treasury Branches -- I asked him, I said:

"Q Might I see the letters of guarantee, please, on

2-M-4

A. J. Hooke - Gill Ex.

Q (Cont.) both the application 1966 and 1914?"
the applications that I showed you. His answer is:

"A There is Mr. Campbell's, and Mr. Spady's, and I cannot produce you Mr. Hooke's, because he was released from his guarantee when he stepped out of the company and it was then returned to him.

Q Well, when did Mr. Hooke first give the Treasury Branches a letter of guarantee?

A I think it is on the sheet there.

MR. CLEMENT: You will have to have that list of securities"

then the answer:

"A It is dated April 23rd, 1952, and was lodged with us that day, sir..... and it says here it was released by consent, dated June 11th, 1955." reading at page 2090, Mr. Commissioner.

That's two days after that cheque, is it not? Exhibit 443?

A It would be, from what you have just read to me, sir.

Q So --- so you did get your personal guarantee back?

A I must have, at that rate.

Q Wouldn't it be a matter of prime importance to you to get it back -- not the bankruptcy of the company, Mr. Hooke, but the getting back of that personal guarantee, your document, your promise to pay?

A I say that the first was more important to me, sir. I was extremely anxious to see this company flourish and not

2-M-5

A. J. Hooke - Gill Ex.

A (Cont.) go bankrupt.

Q Could you have afforded \$31,000.00 just to keep a company out of bankruptcy?

A I was believing that the City of Edmonton would, before too long, make good the promises that they made, time after time.

Q Who made these promises?

A Various City officials.

Q Well, let's name names, Mr. Hooke.

A Well, I would say that Commissioner Menzies was certainly one, and was the man I spoke to mainly.

Q And you were fairly continuously in contact with Mr. Menzies?

A No, not continuously.

Q Off and on?

A Occasionally.

Q How did you raise this 31,000 for that cheque?

A By borrowing from the Bank of Nova Scotia. I did my own banking with the Bank of Nova Scotia.

Q Your own personal banking?

A Right.

Q And what did you put up for security with the Bank of Nova Scotia?

THE COMMISSIONER: Is that relevant, Mr. Gill?

MR. GILL: I submit it is, sir, for this

reason: that we are going into the matter of personal gain, and he has in his statement to the Legislature, I believe --

I am going on -- only going on memory --- stated that he did

2-M-6

A. J. Hooke - Gill Ex.

MR. GILL: (Cont.) borrow it and he did mortgage his home.

I think you stated that, sir.

THE COMMISSIONER: The only point, Mr. Gill, is I think we have to try, to draw a line where we start enquiring into strictly personal affairs of Mr. Hooke -- or any other person.

MR. GILL: I share the view of Mr. Crawford --.

THE COMMISSIONER: And I would just like to hear some observations of other counsel, because it seems to me that we must draw a line somewhere, and I do not favor having this inquiry embark into what I consider to be strictly personal matters, and I don't particularly see the relevance as to -- Mr. Hooke makes a personal loan in order to put himself in a position to discharge this obligation to the Treasury Branch owing by Ideal Homes -- I have a great question in my mind whether it is the concern of this inquiry as to what security he put up for that particular loan. I would like to hear other counsel on that, because I -- .

MR. GILL: Might I finish advancing my reasons, sir?

THE COMMISSIONER: Yes.

MR. GILL: You will recall what Mr. Leger said of Mr. Hooke stating he was facing financial ruin and this sort of thing. I think it's very germane. It is distasteful to me -- I know it is distasteful to every counsel here -- to have to pry into any man's personal affairs, but

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A. J. Hooke - Gill Ex.

MR. GILL: (Cont.) this is why we are here and this is what we have to do, and we have to satisfy you and get these matters cleared up once and for all; so I submit, much as we -- none of us enjoy having to probe, but this is what we have to do in this case, and it is our duty to present it and to explore it and to find out, and if there is anything -- .

THE COMMISSIONER: Well, what is the relevance, Mr. Gill? What is the relevance as to what personal security Mr. Hooke put up in order to get this loan?

MR. GILL: Because of his whole attitude, sir, his whole need to either receive gain or increment or money.

THE COMMISSIONER: Well, the point is that he borrowed \$31,000.00 --- or whatever it is -- there's no doubt about that.

MR. GILL: Let's hear about it, then, sir.

THE COMMISSIONER: The very fact he had to borrow it would indicate he didn't have it, and beyond that I question the relevance. Mr. Wright?

MR. WRIGHT: Yes. The time is 1955, my Lord, and Mr. Hooke has signed a cheque for a very large amount which he now says he borrowed from the bank. Was he under the gun in respect to this? Was there pressure on him to repay this money? If there was, then it's possible that there is a relevance to the actions that were simultaneously occurring with respect to the development of Sherwood Park.

2-M-8

A. J. Hooke - Gill Ex.

THE COMMISSIONER:

To me, Mr. Wright, even the most logical inference --- it seems the most logical inference that if he borrowed money he obviously attached importance to paying off the Treasury Branch -- there's no doubt about that; but as to what personal security, what personal arrangements he made with the Bank of Nova Scotia to secure this loan, I fail to see any relevance. I would like to hear other counsel. Mr. Maynard?

MR. MAYNARD:

Mr. Commissioner, I think you gave a ruling last week to the effect that the personal transactions involving Mr. Hooke, and anything relating to his land transactions in Sherwood Park, and the other land transactions, as well as the transactions with Ideal Homes, were germane to the inquiry, but that his income tax statements and his other investments and his bank accounts and so on, were not relevant and would not be admitted.

Now, we have a situation where Mr. Hooke paid to the Treasury Branch the sum of \$31,000.00. The reason for that transaction is germane to this inquiry as to the payment, the reasons why it was paid, and any other aspect of it my friends wish to draw out. We have been told that the money to pay this loan, or the monies to the Treasury Branch, came by way of a loan from the Bank of Nova Scotia. I submit, Mr. Commissioner, that is as far as we should go. If we are going to open up enquiry into the bank accounts of Mr. Hooke, the loans he

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A. J. Hooke - Gill Ex.

MR. MAYNARD: (Cont.) has made, either for this purpose or for any other purpose, then we are entering into a field that is not in any way relevant to this inquiry.

We have already had evidence submitted that Mr. Hooke has made, in this period of time, up to 1955, through the Sherwood Park land transactions, profits to the extent of some \$110,000.00. Whether he used these profits to pay out --- to put up as security for the Bank of Nova Scotia, whether he used some other investments to put up as security with the Bank of Nova Scotia, I submit is absolutely irrelevant, and the ruling that you made that we should restrict the examination into the financial affairs of Mr. Hooke to the matters before us, Ideal Homes and the Sherwood Park properties and other related transactions, is as far as we should go, and we should not open up the bank accounts and the reasons and the securities that were advanced by Mr. Hooke to the bank for various personal loans.

THE COMMISSIONER:

Any other counsel?

MR. GILL:

Sir, if I may ---- and I apologize for injecting at this point -- but I have a perfect right to cross-examine on this. In Exhibit 410, this is the document of November 8th, '62, that funnelled through Mrs. Wilson to Commissioner Hamilton, a document that Mr. Maynard has admitted is Mr. Hooke's statement, he says:

"So long as the company was in business it remained solvent, but this act on the part of the City amounted

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A. J. Hooke - Gill Ex.

MR. GILL: (Cont.) to virtual bankruptcy; creditors had to be paid and accounts which had no more than sixty days to run amounted to \$31,910.06. Longer term obligations amounted to a further \$28,000.00. Rather than go into bankruptcy the company made every effort to meet its financial obligations. Mr. Hooke, who had no financial interest in the company but who, because of his association with it, insisted the company must meet its financial obligations, mortgaged his home and another small house he owned for the sum of \$30,000.00 and loaned that money to the company in order that pressing obligations could be met one hundred percent."

I am entitled, sir, to examine on that.

MR. CLEMENT: Oh, well, that is certainly an over-statement that he is entitled to cross-examine on that.

MR. GILL: Here is a self-serving document, Mr. Clement, and I am entitled -- .

MR. CLEMENT: We are still seeking, sir, to ascertain the relevancy of the source of the funds, what relevancy this has. Nothing that Mr. Gill has said yet, so far as I understand it, has brought this out. Why does he say that the source of funds is relevant to this inquiry? Nothing he has said yet, so far as I can understand it, has come to that point, the point which your Lordship raised.

2-M-11

A. J. Hooke - Gill Ex.

MR. CLEMENT: (Cont.) As far as what Mr. Wright has said, that is a flight of fancy that I'm utterly unable to follow.

MR. MAYNARD: In reply to Mr. Gill, Mr. Commissioner, certainly the document speaks about the indebtedness of Ideal Homes, and certainly the document indicates that the monies were advanced by Mr. Hooke for the purpose of paying off these obligations of Ideal Homes. Part of it was obtained from the Bank of Nova Scotia to pay off the Provincial Treasury Branch, and there were other obligations that were obtained -- from Mr. Hooke by way of a mortgage on his home. Certainly that is all relevant, but to go beyond that and to endeavour to obtain, ascertain the securities that were advanced by Mr. Hooke, the various loans and various transactions that took place, and how they were repaid and so on, is beyond the pale of this inquiry.

THE COMMISSIONER: What exhibit number is that, Mr. Gill?

MR. GILL: The first number -- you may remember, we had the little problem finding it -- 410; and then I would also refer you to again where he discusses the source of his monies, this time ---

"This time I borrowed from the bank on my own resources the sum of \$30,000.00, at the same time arranging to mortgage my own home and my mother's home."

That's Exhibit 379. I submit we are entitled to examine

2-M-12

A. J. Hooke - Gill Ex.

MR. GILL: (Cont.) on that, my Lord.

MR. MAYNARD: That is exactly my point, Mr.

Commissioner: Mr. Hooke did indicate that he borrowed certain monies to pay off the liabilities of Ideal Homes. He has come forward and he has indicated that he has done so. He has produced evidence that he has done so. He has produced evidence that he has supplied these funds from his own personal monies by way of borrowings from the bank and by way of mortgaging a home. That is as far as this inquiry is interested in, I submit, sir; and what was done, how the securities were obtained, what securities were obtained, when were the monies repaid, to the bank or to the mortgage company, is absolutely irrelevant.

THE COMMISSIONER: Mr. Bowen?

MR. BOWEN: Sir, it appears to me that there has been and is an unfortunate tendency here on the part of, perhaps the Commission Counsel and Mr. Maynard, to try to categorize our endeavour or our inquiry here, and to restrict it to those things which were named in the Legislature by Mr. Turcott. I don't think this is deliberate. I think probably we have been allowing ourselves to slide into this way of thinking, sir, but this is not what the terms of inquiry state. The terms of inquiry have no restrictions, and anything to do with gain made by one of the participants, Mr. Hooke, through influence, is pertinent and relevant to this inquiry, sir, and any other subject which may be raised by any counsel here should be

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A. J. Hooke - Gill Ex.

MR. BOWEN: (Cont.) heard by you, sir.

MR. CLEMENT:

Well, I am bound to take some

measure of disagreement with what Mr. Bowen has said.

There has much -- much evidence has been brought in which had no particular attachment to the matters raised by Mr. Turcott. I think in fairness I must say this: that if I raise objections, sir, it is usually on the ground that the relevancy of it to the subject matter of the inquiry as expressed --- not in the recitals of the Order-in-Council but in the general terms of it -- that there seems to be in my view on those -- what is proposed to be asked, no relevancy, not on the narrow grounds but on the general grounds: influence -- using his influence in office in whatever way. Now, the matter of using the influence can relate of his office/in respect of putting a mortgage on his house so that he can produce \$31,900.00, is still somewhat beyond me -- that is, in its relevancy to these general terms; and I don't think it is quite fair to say that I have been slipping into some error of trying to keep the evidence within the bounds of the recitals of the Order-in-Council. I have been trying to keep it within the bounds of some measure of relevancy to the total picture of using influence, the influence of his office, and also directing your attention, sir, from time to time, to the matter of hearsay evidence.

MR. WRIGHT:

Well, my Lord, I don't want to spin

this out, but if my learned friend can't see it, perhaps I

2-M-14

A. J. Hooke - Gill Ex.

MR. WRIGHT: (Cont.) can help. If, for example, Mr. Hooke, pledges his house to support this loan, and if the pledge falls due at some time in the near future, or in the distant future, and if the house, of course, ^{which} includes the land that it is on, happens to be in Sherwood Park, and if things are being held up in Sherwood Park, it is a powerful inducement to a man, however honest he is, to try and move that development along. That is the relevance of it.

THE COMMISSIONER: May I see those two statements, please?

MR. GILL: Would you like to break, now, sir?
We are close to it.

THE COMMISSIONER: We will adjourn now to eleven-thirty.
(Adjourned at 11:10 a.m.)

3-P-1

A. J. Hooke - Gill Ex.

THE COMMISSIONER:

I gather from Mr. Bowen's remarks that he is under the impression that because of the very wide terms of reference of the Commission that there is apparently no limit to the bounds of this Inquiry and I would point out that there are always limits of relevance.

One of my functions, indeed, one of my responsibilities as Commissioner is to determine what is and what is not relevant and a few days ago I made it quite clear that I considered inquiry into the purely personal financial affairs of Mr. Hooke, not related directly to these various transactions we have been inquiring into and I ruled that such questions were not relevant and I propose to adhere to that ruling.

Now, dealing with the particular matter raised by Mr. Gill, in Exhibit 379 which is the history of Ideal Homes Limited which Mr. Justice Morrow identified as being a copy of the brief which he used in his submission to Council or the finance committee, I have forgotten which body it was there does appear this statement:

"By the end of May, actually, our business was virtually at a standstill and bills had to be met. Believing that our troubles would be of short duration I borrowed from the bank on my own resources a sum of \$30,000.00, at the same time arranging to mortgage my own home and my mother's home if need be to repay the bank. I felt sure, however, this would not be necessary. With the building now demolished, however and no prospect of

3-P-2

A. J. Hooke - Gill Ex.

THE COMMISSIONER: (Cont.)

"redress, I was left with no alternative but to proceed with the mortgages and from the proceeds repay the bank."

And, an Exhibit referred to here, being a letter from the lawyer referring to the mortgages.

Now, a similar, almost identical statement appears in Exhibit 410 which was a statement prepared by, which was the statement prepared by Mr. Hooke and the original, I believe, of a statement that was given to Mrs. Wilson and which Mr. Maynard tendered subject to it being identified by Mr. Hooke. Now, it hasn't been identified and this might be a good opportunity to identify it.

Now, on the basis of those statements appearing or, that information appearing in both of those statements, I think it is relevant Mr. Gill for you to ask Mr. Hooke whether or not that statement is correct. I think possibly in the case of Exhibit 410 you should have it identified now because it was admitted on that basis.

MR. GILL: Thank you sir.

Q MR. GILL: Mr. Hooke, I am showing you Exhibit number 410 which was made available by your counsel, Mr. Maynard, do you recognize that document?

A Yes I do.

Q What is it sir?

A It is a document which I prepared, doing a bit of this from time to time, I understood what was going on.

3-P-3

A. J. Hooke - Gill Ex.

Q Was this a document you gave to Mrs. Wilson?

A Yes, this would be the document I gave to Mrs. Wilson.

Q Thank you. I believe that sufficiently identified it, sir.
And in that document Mr. Hooke there is a mention that
creditors had to be paid, I am reading from it, and accounts
which had no more than sixty days to run amounted to \$31,910.06.
Which were these creditors?

A It may have been that ... well, there were suppliers and that
sort of thing.

Q Well actually, the figure \$31,910.06 is the exact amount of
your cheque of June 8th, 1955 to the Treasury Branch, isn't
it?

A I think perhaps I may have reversed those two figures but that
is the Treasury Branch figure you have just quoted to me, yes.

Q And then your next sentence 'Longer term obligations amounted
to a further \$28,000.00.' What you are suggesting is you
may have transposed those figures?

A I could have because I was not preparing it Mr. Gill at the
time with any idea of submitting it to anyone up to that point.
I was endeavouring to keep track of things as they were.

Q This was just your little narrative, was it?

A Yes, I would say so at that point.

Q How did it get into Mrs. Wilson's hands?

A As I explained ...

THE COMMISSIONER: He has given evidence as to that
Mr. Gill, he gave evidence this morning I believe as to how
he handed it to Mrs. Wilson.

3-P-4

A. J. Hooke - Gill Ex.

Q MR. GILL: Yes, and was she supposed to hand it to Mr. Hamilton?

A Oh no, no sir, not at all. If I recall just exactly what happened, there was something like this that appeared in the Edmonton Journal a story ...

Q I think you have told us of that.

THE COMMISSIONER: I think the whole evidence is in Mr. Gill.

Q MR. GILL: Quite so, you covered that this morning?

A Yes.

Q I see but, you do say that you mortgaged your home and another small house you owned for the sum of \$30,000.00. Did you actually do that?

A I ultimately did, yes.

Q Ultimately, when?

A Offhand I don't know, just how soon it was after securing the loan but, some time after.

Q When you say in Exhibit 410 mortgages his home, that would be your home in Sherwood Park?

A Yes.

Q And with whom was the mortgage?

A Western Savings and Loan.

Q And for how much?

A I believe it was \$25,000.00.

Q And then you mortgaged another small house you owned, you say?

3-P-5

A. J. Hooke - Gill Ex.

A My mother's home.

Q You owned that house?

A Yes I did.

Q And your mother resided in it?

A Yes.

Q And how much was that mortgage for, sir?

A I believe five.

Q Five thousand?

A Yes I think so.

Q And with whom was that mortgage taken out?

A If I remember, it was Canada West.

Q Now, do you recall approximately the date of the \$25,000.00 mortgage on your Sherwood Park home?

A No I don't offhand.

Q Would it be within three months of June 8th, 1955?

A I wouldn't like to say without looking it up Mr. Gill.

Q Would you mind looking it up?

A I think there is something in the story of Ideal Homes to indicate it.

Q This is the eighteen page document?

A Yes. I am not sure. At any rate I can look it up.

Q Well, in Exhibit 479, pardon me, 379 you state on page 8:

"I borrowed from the bank on my own resources the sum of \$30,000.00 and at the same time arranging to mortgage my home and my mother's home if need be to repay the bank."

That uses the words at the same time, borrowed the thirty

3-P-6

A. J. Hooke - Gill Ex.

Q (Cont.) thousand and I take it at the same time you mortgaged the two houses?

A I think what I must have meant there was that in speaking to the banker I indicated my willingness to do so.

Q And later you were required to do so?

A No.

Q Ultimately?

A Wouldn't be required to do so.

Q I see, well you used the word ultimately, you did mortgage these two?

A Yes, that is right.

Q To meet this thirty thousand obligation?

A Well, I had other obligations as well, sir.

Q These arising out of Ideal Homes?

A No I wouldn't say so, I had farmed out there and so on for quite some time. I borrowed from banks from time to time, the same as most people do.

Q Well, would you look up and let me know when you put these two mortgages on please?

A I don't believe I have information on the second one, I would have to contact the mortgage company but I shall endeavour to do that.

Q They have both been discharged, have they not?

THE COMMISSIONER: I don't think that is relevant Mr. Gill.

Q MR. GILL: Well, with the greatest respect sir, Exhibit 379 continues and, direct me on this, since that time,

3-P-7

A. J. Hooke - Gill Ex.

Q (Cont.) you say in Exhibit 379, the next paragraph, I have repayed the one mortgage by having sold my home but I am still making monthly payments.

THE COMMISSIONER: Yes, well, you can ask him on that.

Q MR. GILL: But I have no wish to disagree but, it is in here. Is that a true statement that you repayed the one mortgage when you sold your home at Sherwood Park?

A Oh yes.

Q And you are still making monthly payments as of the date of this document, Exhibit 379, on the second one?

A That's right.

Q As well as on another home you had, which one is that?

A The one I am living in today.

Q I see. Just at this juncture Mr. Hooke, I'm going to ask you, did you ever phone Mr. Hamilton and ask him to make available to you a City of Edmonton file concerning Alderman Leger?

A No, never sir, never.

Q That is your sworn testimony?

A I should say so.

Q And if there is some rumor or something that you did ask for that file, that rumor is wrong, is it?

A Yes sir.

Q At no time did you as Minister of Municipal Affairs ever ask for Leger's file concerning his property transactions with the City of Edmonton?

A Not ever sir nor anyone elses file.

Q I see. Now, Mr. Leger went into considerable detail about that

3-P-8

A. J. Hooke - Gill Ex.

Q (Cont.) first meeting of approximately the 22nd or 23rd of July, 1964. You have told in chief to Mr. Clement your version of that meeting?

A Yes.

Q Have you read the transcript of Mr. Leger's evidence?

A Yes I did.

Q And he was asked at page 2842, where did this first meeting take place with Mr. Hooke. At his motel. You are agreed on that?

A Do you mean the first of these two in July?

Q The first of these two meetings?

A Yes, that is correct.

Q And you telephoned Mr. Leger?

A Yes I did.

Q And at what time of day?

A To the best of my recollection it was when I went back to the office in the evening after having read the evening paper.

Q He says in his evidence somewhere around ten o'clock at night, would that be correct?

A I don't think that that would be too far from right, I am sure it was in the evening.

Q Late evening, not early evening?

A If I remember correctly Mr. Gill I think I phoned him in the early part of the evening but that I was to drop in on my way home which would make it later, that is right.

Q And you drove to his motel and went into this basement office?

3-P-9

A. J. Hooke - Gill Ex.

A Yes I did.

Q And did you open your remarks as set out on page 2843 by saying you had previously met ... by saying that you previously with Mr. Hollowach attended a political meeting in which Leger had spoken and you were pleased with Leger's reasonable approach to the Hawrelak matter?

A No, that isn't quite right.

Q I see, you say you went there with just one purpose, did you?

A Yes, but if you wish me to tell the story concerning what he has reference to I can do it quite easily.

Q I think perhaps it might be better if you do that?

A I believe it was the Junior Chamber of Commerce that had organized some outside meetings and as I recall it, they had bleachers set out on 102nd Street just south of Jasper and I was walking up Jasper Avenue not with any particular intention of stopping at the meeting but I did stand there for a few minutes and listened to one or two of the candidates. There had been a statement in the paper at the time because I believe Mr. Hawrelak was going to run again or, there was some talk about him running again and as I stood there Alderman Leger came along, we shook hands and made some reference to the statement which he had made saying that according to the paper, in the light of Mayor Hawrelak having paid his debt to society, as it were, he saw no reason whatever why he shouldn't run again if he wished and I believe I commented that that was a very fair attitude for a man to take.

3-P-10

A. J. Hooke - Gill Ex.

Q And did you discuss your personal financial difficulties on this July 22nd meeting, the first meeting with Mr. Leger?

A Never sir, not ever.

Q So, when Mr. Leger says at page 2843, his answer:

"His personal financial difficulties, that he was in the process of becoming bankrupt and losing everything, that Ideal Homes was, it cost him a great deal of money and that he pledged his salary as a Cabinet Minister for a bank loan to keep this thing from bankruptcy ... bankrupting him and he was in the process of doing so."

Did you at all discuss that with Mr. Leger?

A Not anything like that with Mr. Leger sir and I was only there a matter of minutes.

Q And was that in fact your financial position in July of 1964, were you hard pressed?

A I was not, not hard pressed to the point of worrying myself sick over it, no.

Q Did you in fact cry at that meeting as Alderman Leger says you did?

A No sir.

Q You didn't?

A No.

Q Alderman Leger is not correct in his recollection?

A May I explain that too, sir?

Q Certainly?

A I think it is worthy of an explanation. About a year before

3-B-1

A. J. Hooke - Gill Ex.

A (Cont.) on July 1st out in my constituency.

Q This is the incident that Dr. Allard has related in these proceedings?

A Yes, I did have an attack which was thought at first to be a heart attack, but which has proven to be a nervous hypertension; and anyone who suffers from it quickly realizes that the least little thing will upset them, things which normally one would never give a second thought to. To give you an illustration, sir: I was driving to the office one morning and a bird flew across in front of my car, I hit the bird, and instantly tears ran down my cheeks, I wasn't crying, but I could not control the flow of tears. I pulled off on the side of the road and waited until this was over, and that took some five minutes, and I couldn't help but think to myself, What a stupid thing this is: but just the same I could not staunch the flow of tears.

Now, at Mr. Leger's that evening after I showed him this little document which, as I say, I prepared at the specific request of Commissioner Hamilton to assist the members of the Land Committee -

Q This is the eighteen page, the lengthy document, is it?

MR. CLEMENT: No.

Q MR. GILL: Which document is this?

MR. CLEMENT: One that has not been in evidence, it has only been referred to, sir, first this morning.

Q MR. GILL: Do you have that document here?

A It could be.

Q This is the one that nearly got in a few days ago.

3-B-2

A. J. Hooke - Gill Ex.

MR. MAYNARD: You carry on, Mr. Gill, and I will get the document.

Q MR. GILL: I think your client has it, Mr. Maynard.

You are showing to me a Xerox copy of a four page document addressed to the Land Committee, pardon me, a five page document, and this is the document that you say you prepared for Mr. Hamilton?

A At Mr. Hamilton's request.

Q At his request?

A Yes.

Q When was it prepared, sir?

A This would be sometime between April 27th of that same year, '54 -

Q '54, you mean '64?

A '64, yes, I am sorry; and the time I was in his, I met with him.

Q I see, and you so identify this as prepared by you?

A Yes, I do, sir.

Q And bearing date sometime April of 1964?

A Or a bit later perhaps.

Q It refers to April 27th so that it would be after that?

A Yes.

Q But not any more than two or three weeks?

A No, I wouldn't think so, no.

Q I tender this as an Exhibit, Mr. Commissioner.

THE COMMISSIONER: Exhibit 452.

3-B-3

A. J. Hooke - Gill Ex.

MR. GILL: Thank you, sir, is it sufficiently identified for you?

MR. CLEMENT: It is a memorandum, sir, headed "To the Land Committee ..." but is otherwise difficult to identify.

THE COMMISSIONER: Yes, it is undated, I understand?

MR. CLEMENT: It is undated and unsigned.

MEMORANDUM TO THE LAND COMMITTEE
MARKED EXHIBIT 452.

Q MR. GILL: We might call it, might we, Mr. Hooke, your summary to Mr. Hamilton?

A Yes, although copies were made, sir, for each member of the Land Sales Committee.

Q And you appeared before that Land Sales Committee?

A Yes, but really for no other purpose than to present them with a copy.

Q I see, so you took that document, Exhibit -

THE COMMISSIONER: 452.

Q MR. GILL: - 452, thank you sir, with you to the Leger Motel on the evening of July 22nd 1964?

A Yes, I did.

Q And did Mr. Leger read it?

A He read it quickly, casually, and handed it back to me and said "Oh, so that's it."

Q He hadn't seen it before in the Land Sales Committee?

A Certainly not to my knowledge sir, he was not a member of the Land Sales Committee.

Q I see, and it hadn't been presented to Council to your

3-B-4

A. J. Hooke - Gill Ex.

Q (Cont.) knowledge?

A Not to my knowledge.

Q I see. Now, continuing, how long did that first meeting last between yourself and Mr. Leger?

A About long enough for him to glance over this thing quickly, it wasn't many minutes that I was in his basement.

Q I see, and if Mr. Leger says at the, as he does at page 2845 and at the bottom of 2844:

"Q Well, this all led up to him asking you to withdraw your opposition to re-plotting the Ideal Homes land in the City of Edmonton?"

and his answer:

"A Well, actually it was a transfer or an exchange of land owned by Ideal Homes for land owned by the City in the Buena Vista area."

Is that why you went to Leger's motel, to try to persuade him of the justness of your case?

A Oh, no sir, anything but that: it was just a matter of him having made the statement that what we were trying to exchange was moose pasture for first-class lots.

Q And you wanted to argue that out with him?

A No, I simply wanted to know did he know where the land was, was he familiar with it, had he seen it, and so on.

Q And your position at this time in the Government of Alberta was, in 1964?

A Minister of Municipal Affairs.

Q And you had been such since August 2nd of 1955?

3-B-5

A. J. Hooke - Gill Ex.

A Yes.

Q Do you have some difficulty recalling the date you became Minister of Municipal Affairs?

A No, I wasn't sure whether you said August 2nd or not; I know it was 1955 following the election.

Q Yes, and when Mr. Leger states that at that first meeting you were highly emotional:

"He was obviously in an extremely nervous state. At one particular, he had described his heart condition and told me he had a serious heart condition, and was under constant doctors' care, and ..."

Did you say that to Mr. Leger?

A Oh, no, not at all, sir.

Q That is just a figment of his imagination?

A Well, it surely is.

Q He is lying?

A I don't like to say that, but he is stating something which I did not say.

THE COMMISSIONER: I don't think, Mr. Gill, it is really proper, it has occurred several times in this Inquiry when a witness disagrees with another one, I don't think it is necessary to brand him a liar at all, I don't think that imputation should be suggested.

Q MR. GILL: What is your imputation?

THE COMMISSIONER: Unless there is a very strong reason for it.

Q MR. GILL: What is your imputation then because

3-B-6

A. J. Hooke - Gill Ex.

Q (Cont.) Mr. Leger makes quite a thing out of this, it is comparable to your recollection of Mr. Combs and your meeting; why is he so firm in this at such length, Mr. Hooke?

A Well, I don't know why he took that attitude. Certainly as far as I am concerned, Mr. Gill, I was there just a few minutes. He read this document or scanned it quickly, handed it back to me and said "Oh, so that's it."; in other words he evidenced that he was very very little interested about anything at all.

Q Did you break down completely or not?

A No, I didn't break down completely. Just as I was ready to leave one of these nervous things came over me, and as I say, one never knows what triggers such a thing as this. I think perhaps Dr. Allard explained it, but sometimes it is accompanied by a twitching of the hands or a twitching of the feet, and -

Q And this happened to you that night?

A Yes, it did, sir. I was ready to leave and this happened, and I sat down again.

Q Yes?

A Mr. Leger said "What is the matter?" and I said "Oh, it is, this will pass off soon, it is just one of these attacks of nervous hyper-tension.".

Q So that Mr. Leger is not this wrong when he says at page 2845:

" ... he ...
referring to you,

3-B-7

A. J. Hooke - Gill Ex.

Q (Cont.) "... had what I suppose you would describe as a 'fit', and I became extremely concerned and I asked him if I could call a doctor or an ambulance, and he said, no, or ..."

You wouldn't dignify it with the word "fit"?

A No, I certainly would not.

Q You would call it an attack?

A Well, it is just a matter of twitching that takes place occasionally, and one cannot account for what starts it or anything else, but when it happens the feeling that one gets is an extreme feeling of weakness.

Q And this happened to you that night?

A Yes, it did.

Q And so that at least in the matter of description you disagree with each other, but as to what happened you do agree, you had some type of an attack?

A Yes, and I think if I remember correctly it happened about four times that day in my office, for no reason at all.

Q I see, you were upset about Ideal Homes?

A Well, that is not what was bothering me, I wasn't aware of any particular thing that bothered me. Once in a long while this, something like this will occur even yet, not nearly with the same severity that it used to, and I have no idea what will start it. Occasionally I will wake in the night as a result of a dream and I will find that I have one of these weak feelings. However, I have learned now that all I have to do is try to ignore it and get my mind on something else

3-B-8

A. J. Hooke - Gill Ex.

A (Cont.) more than anything else.

Q Did Mr. Leger give you a drink of whisky?

A He said to me "Would a drink of coffee help you?" and I said "No, thank you, I don't drink coffee" and I said "I have been ordered to take a tablespoonful of brandy now and again, if you happen to have a tablespoonful of brandy I would appreciate that.", and he went upstairs and was gone about, I would say about ten minutes. In the meantime the attack had subsided completely, and he came down with a small amount of whisky, I think it was, in a glass.

Q Well, did you describe to Mr. Leger at this first meeting the English lands transaction?

A Oh, no sir, I have never discussed that with Mr. Leger.

Q Well, when did this become public knowledge, the matter of the English lands, when was it first raised in the House, '65 or was it '66?

A It was not English lands.

Q Well, the Capilano land owned by the English Estate?

A Yes. I think when I wrote the story which is eighteen pages long, there again at the request of Commissioner Hamilton, but as to any details, I think the only people to whom I ever mentioned it, that the only people were the income tax officials.

Q Then how would Mr. Leger know about this transaction concerning these Capilano lots?

A The evidence surprised me as I read it, I was surprised as I read the statement because certainly I never discussed such

3-B-9

A. J. Hooke - Gill Ex.

A (Cont.) a thing.

Q And the first mention of it you had made publically was your eighteen page statement, Exhibit 379?

A To my knowledge, to the best of my knowledge, Mr. Gill.

Q Because I don't think it was raised in your initial ten page statement, 410?

A No, it wasn't, no.

MR. CLEMENT: Sir, my memory perhaps is failing me but I thought that that eighteen page document was the basis of Mr. Justice Morrow's presentation.

THE COURT: That was the basis upon which it was identified by Mr. Morrow.

MR. CLEMENT: To the Finance Committee a year or two before that.

MR. GILL: That was to the Finance Committee, I believe, in August of 1964, August 19th I think.

MR. CLEMENT: Oh, I thought it was earlier.

MR. GILL: No, I could be wrong too.

MR. CLEMENT: I am sorry, I am in error.

Q MR. GILL: When did Mr. Morrow present Exhibit 379 to the City Council, was it not in August or September of 1964, sir?

A I believe December.

Q December?

MR. CLEMENT: Excuse me, Mr. Gill, my memory has failed me.

Q MR. GILL: In this Inquiry, Mr. Clement, that is

3-B-10

A. J. Hooke - Gill Ex.

Q (Cont.) an occupational hazard. Do your documents help you at all, Mr. Hooke, as to the date?

A I haven't been able to put my hand on it, Mr. Gill, at this moment.

Q That is a problem we all have in this Inquiry.

MR. CLEMENT: However, sir, while we are filling in time I would just observe that Mr. Leger gave his evidence in 1967.

MR. GILL: This is so.

MR. MAYNARD: I might help my friend Mr. Gill that Exhibit number 395 is the letter that was written by Mr. Justice Morrow to the Chairman of the Finance Committee dated April 9th 1965. The Journal reporting on Mr. Leger's statement was Exhibit 395A which was attached to Mr. Justice Morrow's letter, and this presentation was made in December of 1964.

Q MR. GILL: Thank you Mr. Maynard.

So you were surprised, were you, that Mr. Leger mentioned the transaction concerning the Capilano lots as having been discussed by you with him in July of 1964?

A Yes, because I did no such thing.

Q I see, and you didn't discuss about problems of getting money and the Foreign Exchange regulations?

A Oh, no, not at all, Mr. Gill.

Q Just adverting to that briefly, did you have any Foreign Exchange control regulations that you had difficulty with in either getting your money to or from England?

3-B-11

A. J. Hooke - Gill Ex.

A I never had.

Q And your evidence is you didn't discuss this with Mr. Leger?

A That is right, sir.

Q You have locked horns with Mr. Leger on one or two occasions, have you not, politically?

A Not politically, not that I know of.

Q Well, perhaps that was an ill-chosen word, but didn't say as late as November of last year in Red Deer you and Mr. Leger had an exchange of words at I think a Union of Alberta Municipalities?

A Yes, we did, sir.

Q And that wouldn't be the first time that you and Mr. Leger had exchanged words on a public platform, or was it?

A I cannot recall any other.

Q I see, and is, well, no. Mr. Leger is not of your political persuasion?

A I take it that that is right.

Q I thought I handled that rather well.

THE COMMISSIONER: I am rather surprised, Mr. Gill, that a matter of political persuasion should be brought up in this Inquiry.

Q MR. GILL: There may be some new ones after this.

Did you not discuss with Mr. Leger your personal expenses on your trip to England away back in -

A Oh, no, I did not, Mr. Gill, not at all.

Q You didn't discuss evading the Foreign Exchange regulations?

A I should say not.

3-B-12

A. J. Hooke - Gill Ex.

Q And you didn't tell him that you had \$1,500.00 of expense money left over?

A No, I certainly didn't.

Q Getting back to Ideal Homes, what is your exact interest in Ideal Homes today?

A Actually the fact that the company owes me money.

Q And how much does the company owe you?

A I think now it is about fifty-one thousand.

Q You don't agree then with Mr. Bentley's draft statement of 1950, 1960, where some, June 15th 1965 -

MR. MAYNARD: '62.

Q MR. GILL: '62, the draft, Exhibit 423, the draft financial statement of Ideal Homes for the year ended April 30th 1962, which says, shows a deferred liability payable to A. J. Hooke of \$6,880.79?

A Well, I will certainly agree that that is, that that figure must be correct.

Q You just told us fifty thousand something?

A That would only be part of it.

Q The other part is not brought in?

A Not in 1962.

Q Well, does Ideal Homes owe you more money between the period of '62 and now?

A Yes.

Q And what did you do in that connection to raise it from \$6,880.00 to fifty thousand some odd dollars?

A Well, from time to time I helped to pay off any indebtedness

3-B-13

A. J. Hooke - Gill Ex.

A (Cont.) that I could that came along.

Q Well, a matter of some \$42,000.00 sir, more after April 30th 1962?

MR. MAYNARD: Oh, now, Mr. Commissioner, the witness has indicated that he has paid on behalf of Ideal Homes \$31,000.00 before 1962 and the cheque is here.

MR. GILL: Well, just -

MR. MAYNARD: Because it is not reflected in the statement does not mean to say the witness' payment has not been made. The cheque is there, the payment has been made, and my friend is trying to establish that because there is a figure made in the statement that was not accepted that that is all that was owing as of July 1962.

MR. GILL: Well, I thought that was the witness' evidence, that he accepted that figure, but now -

MR. MAYNARD: As part of it.

Q MR. GILL: Well, we will start it all over again. Mr. Hooke, how much do you think Ideal Homes owes you today?

A I think at the moment about \$51,000.00.

Q I see, and do you accept that Ideal Homes owed you \$6,880.00 as per Exhibit 423, the draft financial statement of April 30th 1962?

A Well, at that time there was not included the thirty-one odd thousand dollars that I had paid, it did not appear in that statement.

Q And what else didn't appear?

A That may have been one of the reasons that Mr. Bentley stated

3-B-14

A. J. Hooke - Gill Ex.

A (Cont.) there was some difference of opinion amongst us.

Q Well, that was the difference of opinion?

A That it was not complete, Mr. Gill.

Q So thirty-one thousand nine hundred and six thousand eight hundred and eighty still don't make fifty-one thousand, what else did you put into this company after 1962, April 30th?

A Well, as time went on until 1965 \$9,000.00 of taxes had accumulated.

Q Against the 127th Street moose pasture?

A That is right.

Q And did you pay this?

A Yes sir.

Q Yourself personally?

A By borrowing.

Q And when did you pay that, Mr. Hooke?

A Sir, there were several times when we had every reason to believe that Ideal Homes' land would be either exchanged or re-zoned or something of that nature.

Q And finally, that finally ended, didn't it?

A And having, well, I hope it has not ended yet, sir.

Q I see, you still regard you have a claim against the City of Edmonton?

A Yes, I still do.

Q And you are still going to urge it?

A I want to say this, that I certainly would hope that the City of Edmonton would recognize that they do have a moral

3-B-15

A. J. Hooke - Gill Ex.

A (Cont.) obligation to this company and would do something about it.

Q And on that account you paid the taxes on the 127th Street property?

A Being in full belief, sir, that from promises made, largely by Commissioner Hamilton, that they would certainly, this would certainly be settled to the company's satisfaction one way or another, and on the strength of it I borrowed \$45,000.00.

Q When was this?

A To tidy things up and pay it off. This would be two years ago approximately.

Q 1965, and what month, do you recall?

A I believe November, I believe it is about two years now.

Q That forty-five thousand all went to pay off obligations of Ideal Homes?

A Pretty much that way as I recall it.

Q Well, I must confess, Mr. Hooke, now you have lost my mathematics: you have got thirty-one thousand nine hundred as of July, or June 8th 1955, correct, paid to the Treasury Branch?

A That's right.

Q Some seven thousand as deferred liabilities payable to you per the draft balance sheet of April 30th 1962, correct?

A Apparently.

Q And that makes to my quick arithmetic \$39,000.00, seven and thirty-two, is that right?

3-B-16

A. J. Hooke - Gill Ex.

A Your mathematics are right, that's right.

Q Good, and then another nine thousand paid on the taxes?

A That is correct.

Q That gets us up to forty-eight thousand, doesn't it?

A Yes.

Q And then there is another forty-five thousand on top of that for Ideal Homes?

A Well, no, not necessarily for Ideal Homes. We were straightening up or tidying up a situation of debts, and in order to do so, because there were a couple of other bank debts that I wished to pay off, and in doing so I borrowed \$45,000.00.

Q In November?

A To pay these various things off, November two years ago.

Q I see.

A So that at the time the company owes me forty-five plus this six thousand eight hundred, as I look at it at the present time.

Q Making fifty-one?

A Making fifty-one.

Q Where did the thirty-one thousand go then, is that in that forty-five thousand or isn't it?

A It must be.

Q Did you borrow forty-five thousand as late as two years ago?

A That's right.

Q You borrowed thirty thousand to meet the thirty-one thousand in June of 1955?

3-B-17

A. J. Hooke - Gill Ex.

A Yes, but I have had other borrowings for other things, sir.

Q Were you facing personal guarantees with these other bank debts?

A I can't recall that.

Q For other companies?

A I can't recall that.

THE COMMISSIONER: Now -

MR. GILL: All right.

THE COMMISSIONER: Mr. Gill, that is not, let us not go afield.

Q MR. GILL: Well, he raised it, sir.

But in June of 1955 you say you were not actually a shareholder of Ideal Homes?

A That's right.

Q Just a creditor? You are nodding, that does not record.

A Yes, a creditor.

Q A creditor, and you weren't a Director of the company?

A Not after January 1st.

Q Of 1955?

A That's right.

Q And I understand, and I am going from memory, the registration of your ceasing to be a Director didn't take place until 1958; is there any reason for that that you know of?

A No, the record from the Companies Branch will indicate that I ceased to be a Director, sir, on January 1st I think, of 1955.

MR. CLEMENT:

The question is one that was filed.

3-B-18

A. J. Hooke - Gill Ex.

MR. MAYNARD: Exhibit 226.

MR. GILL: 1084.

MR. MAYNARD: And 224.

MR. GILL: I am only interested in 226, Mr.

Maynard. No, that is a Notice of Directors, 1950.

MR. CLEMENT: Exhibit 224, the relevant portion, sir.

Q MR. GILL: Thank you. You notice the replica
of Mr. Spady's signature, do you?

A Yes.

Q On Exhibit 224, which is a Notice of Change of Directors:
"Notice is also given that at the 1st of January 1955
the following persons ceased to hold office of Directors:
A. J. Hooke."

and that bears the registration stamp of the Registrar of
Joint Stock Companies of the Province of Alberta, July 10th
1958, does it not, sir, down in the lower right hand corner?

A Yes, it does.

Q Have you any explanation of why the time lag from January 1st
1955 to July 10th 1958?

A No, I haven't. I know that the record submitted to me
indicated, and I remember well also, that I was not a Director
after January 1st '55.

Q Why did you resign as a Director of the company?

A Why did I?

Q Yes?

A My actual reason for getting out of the company in the first
instance, Mr. Gill, was the fact that I had come to believe

3-B-19

A. J. Hooke - Gill Ex.

A (Cont.) that perhaps there were some political reasons why the company was not succeeding in the first instance regarding its first site and second site.

Q With the City of Edmonton?

A Well, with someone, I don't know, I didn't know for sure who, that is true.

Q You felt you should be disassociated from the company?

A Yes, I did.

Q Did you actually feel you were something of a liability to Ideal Homes?

A At the time I did. I felt myself completely in that position.

Q And yet for the next ten years you were the active protagonist against the City of Edmonton in the claim of Ideal Homes?

A Well, I won't put myself in that category at all, sir. There were so many years when absolutely nothing was done.

3-M-1

A. J. Hooke - Gill Ex.

A (Cont.) There was time after time when an appeal could have been lodged with the Provincial Planning Board.

Q You didn't do this?

A No sir.

Q Because you were sitting on that board?

A No.

Q Well, at times you have, haven't you?

A I was for a time, and it was upon my advice to the Executive Council that that position was changed entirely.

Q When was that done?

A It seems to me that it was in the Session of 1957.

Q I am showing you the minute book of Ideal Homes, and there is a minute here labelled:

"Minute No. 6, dated 16th of May, 1958, at the hour of two-twenty in the afternoon; present, J. H. Campbell, Chris E. Hooke, Harry L. Spady."

You obviously weren't at that meeting.

A No sir.

Q Do you know where minutes Nos. 3, 4, 5 are?

A I wouldn't have any idea at all, Mr. Gill.

Q I see. You will notice that it says:

"The chairman advised the meeting that the annual returns of the company had not been filed since 1954. He explained that the reason for the non-filing was due to the fact that plans had been made in 1955 to assign to a new company then formed, called All-West Distributors (1955) Ltd., all of the assets and

3-M-2

A. J. Hooke - Gill Ex.

Q (Cont.) liabilities of Ideal Homes & Building Supplies Ltd."

That's what the minute says. Is that what actually happened, to your recollection, sir?

A Well, that is certainly what they were attempting to do, as I mentioned this morning: there were three companies that were actively engaged in one aspect or another of the construction industry, and they were endeavouring to amalgamate, and I believe their intention was to operate under that name -- under the name of that fourth company, All-West Distributors -- which was to become a holding company, or something.

Q Is that the company that you were discussing in this minute of June 8th, 1955, Exhibit 444, when C. E. Hooke, A. J. Hooke, Spady and Campbell, were to take shares in it?

A Is that the one where you mentioned the name of -- ?

Q Briscole?

A Yes.

Q B-r-i-s-c-o-l-e?

A Yes, I would say that.

Q And Smeltzer -- S-m-e-l-t-z-e-r?

A Yes.

Q So that's the company that resulted?

A It would have resulted.

Q Well, All-West Distributors was formed, was it not?

A Well, I understand it was an old, old company. I had nothing whatever to do with it ever.

Q I see. Well, sir, you say that as of January 1st, 1955,

3-M-3

A. J. Hooke - Gill Ex.

Q (Cont.) you ceased to be a director?

A I did, Mr. Gill.

Q And you ceased to be a shareholder in 1953?

A May.

Q May of 1953?

A Yes.

Q And yet, why would Exhibit 444, found in the records of B. C. Tanner & Company, dated 8th of June, 1955, at eight-thirty p.m., A. J. Hooke -- all shareholders being present, notice of the meeting was waived, and you acted as chairman of the meeting?

A Well, I presume that I was asked to act as chairman of the meeting.

Q I see.

A Although that still doesn't say that I was a shareholder, which I wasn't, nor was I a director.

Q You were in fact acting as president of the company, were you not?

A No, not at all.

Q I see. I take it, Mr. Hooke, that you still bear some resentment, then, to the City of Edmonton for their handling of the Ideal Homes' matter?

A Well, Mr. Gill, I'm not that sort of person.

Q I see.

A I don't bear resentment towards anyone.

Q And Mr. Campbell was going to see City Commissioner Hamilton entirely unrelated to you; is that your evidence?

3-M-4

A. J. Hooke - Gill Ex.

A Well, if he did it was certainly unrelated to me, certainly.

Q He wasn't bearing a message from you?

A Oh, no, that's right, Mr. Gill.

Q I see; but you have known Mr. Campbell and been associated with him in business now since 1951, was it? When he joined the company?

A Yes, for that little length of time that I was associated with the company.

Q And in that time there has been these other matters of Beaver Land, the Sherwood Park, and all the other things, and Mr. Campbell threads through them, does he not?

A Yes, he does.

Q And you have his telephone number?

A Surely.

Q And I believe he said that it was an unlisted number; is that correct?

A I have never known the time when he had a listed number.

Q And he has acted for you and on your behalf from time to time since 1951, John H. Campbell?

A A couple of times when I asked him to dispose of some property.

Q And he is a friend of yours?

A Yes, I would class him as such, sir.

Q And has been such for many years?

A As we got to know each other better we became friends, yes.

Q And I am sure you have been on a first-name basis for many years.

3-M-5

A. J. Hooke - Gill Ex.

A That's right.

Q And he would no doubt discuss these matters with you from time to time?

A Which matters?

Q Ideal Homes and its financial difficulties?

A Well, that's right, of course.

Q Because he was also in difficulty?

A Well, as the company was, we all four were.

Q And how would you keep separate, sir, the fact that much of your day would be spent as Minister of Municipal Affairs, and yet you would be concerned with the City of Edmonton and their handling of this Ideal Homes' claim? How did you in your mind separate these two things?

A To begin with I was not Minister of Municipal Affairs until 1955.

Q You were Minister of Economic Affairs?

A Yes, I was.

Q And how did you keep one separate from the other?

A Well, there was no problem whatever as far as I was concerned. I wasn't close enough to Ideal Homes, for one thing. I regarded my duty, my public duty first of all before anything pertaining to myself ever crossed my mind.

Q Did you instruct Mr. Agrios to appear before City Council and if they would do the rezoning of 127th Stree property, that you would drop your claim against the City of Edmonton?

A We were not making a claim in that way, sir, no, I didn't.

THE COMMISSIONER:

Mr. Gill, if I recall correctly, Mr.

3-M-6

A. J. Hooke - Gill Ex.

THE COMMISSIONER: (Cont.) Agrios was very precise in his statement, or as to the reason why he appeared before the Council or Finance Committee -- if that's what you are referring to -- and I think you should refer to his wording if you place this question, because Mr. Agrios seemed to me to be very precise in outlining the reason why he went there.

Q MR. GILL: Were you at that meeting of September 13th, 1964, before City Council?

A No, I wasn't.

Q When Mr. Agrios was there?

A I have never been before City Council.

Q You have been before the Land Sales Committee?

A Only for about five minutes, to give them this document.

Q Exhibit 379, the 18-page document?

A No, the short one which was read by Mr. Leger, yes.

Q The one that came in evidence this morning?

A Yes, and then I was present for a little while when Mr. Morrow presented the case before the Finance Committee.

THE COMMISSIONER: Did you say the Planning Committee or the Land Committee? Did you say?

A Pardon me?

THE COMMISSIONER: The Planning Committee or the Land Committee?

A The Land Sales Committee, Mr. Kirby.

THE COMMISSIONER: The Land Sales?

A Yes.

3-M-7

A. J. Hooke - Gill Ex.

Q MR. GILL: The document 452 is marked "To the Land Committee" but you mean really the Land Sales Committee?

A The Land Sales Committee. I didn't know at that time just what they called it, actually.

Q Is it normal for a citizen to appear in front of that Committee?

A I understand so.

Q Had you ever appeared before that Committee in your capacity as a Minister of the Crown?

A No, I never have.

Q And would you, in discussing this matter with, say, Commissioner Hamilton, he would be coming to your office from time to time on municipal affairs' matters?

A Well, he came several times and he would come to the building quite frequently and sometimes simply pop his head in and just to say hello.

Q And you would phone him occasionally?

A Yes, I did, once in a while.

Q Asking him how the Ideal Homes' matter was coming?

A I can't say that I ever specifically did that. I referred once or twice to some statement that I had seen in the paper when they had dealt with the Ideal Homes' question.

Q You were extremely concerned for a period of some years with the Ideal Homes' position?

A If I had been that extremely concerned, Mr. Gill, in all of the years from 1955 until about 1964, I think I should

3-M-8

A. J. Hooke - Gill Ex.

A (Cont.) have tried to do something, which I didn't do.

Q Why did you do nothing in that time or period?

A Very largely because I sat where I sat.

Q Where is that?

A As a Minister of the Crown.

Q This bothered you, did it, that you were trying to deal as an individual with the City on the one hand, and you were a Minister of the Crown on the other?

A No, I wanted to make sure that I could never be accused of being in that position.

Q It didn't work that way, did it?

A Well, there are unscrupulous people running loose.

Q You say this whole thing is due to unscrupulous people?

MR. CLEMENT: I think that's a matter of judgment, sir, on your part at the end of the inquiry.

Q MR. GILL: And in your 18-page statement, Exhibit 379, you said, at page 15:

"It is not my intention to take legal action against the City of Edmonton."

Was that your position?

A ~~That~~ it was not my intention? Oh, yes, sir.

Q And you have maintained that position throughout?

A Yes.

Q And why is that, if you feel you have a valid claim? Why wouldn't you ever resort to the courts?

A That's the last thing I would want to do, sir.

Q Why, sir?

3-M-9

A. J. Hooke - Gill Ex.

A Perhaps in the capacity of an ordinary citizen my views would be different, but I have regarded my public duty as being first and foremost.

Q Well then -- .

A When I became a public servant I regarded myself as being in a position where I was at the beck and call of the public seven days a week, twenty-four hours a day, and so I have done.

Q And yet you have still tried to operate Ideal Homes as a company?

A I tried, sir, to do the same as I think any normal man would do.

Q You invested in Sherwood Park?

A No, sir; I did not invest in Sherwood Park.

THE COMMISSIONER: I think we will leave Sherwood Park until we come to that aspect.

Q MR. GILL: You have investments which have totalled and made you \$110,000.00. Correct? While going -- while devoting seven days a week and twenty-four hours a day to your public service?

A You are talking about a period of thirty-two years, sir. I doubt if I have made any \$110,000.00.

Q Well, sir, if we add up the financial statements that were brought here the other day, that is the addition. The first of this money would be the Capilano matter? Was that the first time that you had any receipts of any sizable consequence outside of your office?

3-M-10

A. J. Hooke - Gill Ex.

A Well, Capilano sold in --- '54?

Q That's correct, sir.

A And the development of Sherwood Park was shaping up about '55.

Q '55.

A Somewhere in there, so they would be to some extent simultaneous.

Q And they were the first fruits that you had from any of your assets, other than your office as Minister of the Crown and a member of the Legislative Assembly?

A Yes, I would say so.

Q So, that is 1954, so we have a period from 1935 to 1954 without any of these monies coming into your hands, other than your normal sessional indemnity.

A Mainly, at any rate.

Q You don't disagree with my statement?

A No, I can't say that I disagree with it.

Q And looking at Exhibit 452, which appeared to be dated in April of 19 -- May of 1964, after the April 27th meeting, page 1, you say:

"Having discontinued school teaching in 1935 when I was elected, I knew by 1950 that were I defeated I could not enter a classroom without further University studies, which I could not afford."

That was your situation in 1950? Wasn't it?

A That's right.

Q So you had had none of the \$110,000.00 profit by 1950. Is

3-M-11

A. J. Hooke - Gill Ex.

Q (Cont.) that right?

A Well, that is right.

MR. CLEMENT: How could he?

Q MR. GILL: Then, do you recall Exhibit 398, a statement that you gave when you took out a mortgage with North West Trust? It's called "A. J. Hooke, assets and liabilities" consisting of two pages. Do you recognize that, sir? You will find your signature on page 2 -- or a facsimile of it.

Do you recall that document, after these minutes that you have looked at it, Mr. Hooke?

A I think so.

Q Are the contents of it true and correct, sir?

A Well, I certainly hoped so at the time.

Q You signed it?

A Yes.

Q And that showed an aggregate of assets over liabilities of some \$178,000.00?

A I think that's it.

Q And you start off with the apartment block on 76th Avenue, with a value of \$30,000.00; the home property on the north-east quarter of 22, of \$50,000.00 -- .

THE COMMISSIONER: What exhibit number are you referring to?

MR. GILL: 398, Mr. Commissioner. Two houses and a four-suite block on 99th Street, \$40,000.00; a half-share of the southeast quarter of 22, \$50,000.00 -- and

3-M-12

A. J. Hooke - Gill Ex.

MR. GILL: (Cont.) so on with, by your statement, assets exceeding liabilities, mainly mortgages, of \$178,000.00.

A It didn't work out that way, but that's what the statement says.

Q That is what you put in in order to obtain mortgage money, wasn't it?

A I wouldn't say that that is so, sir -- other than the fact that I believed it.

Q Well, what was the purpose of the statement?

A Well, I say, I believed that statement to be correct.

Q Yes, Mr. Hooke, but what was the statement prepared for? For what purpose? It was to obtain money, was it not?

A Well, certainly. If one is obtaining a mortgage, that is what it is for, Mr. Gill.

Q So your evidence is that the statement Exhibit 398 was true, at the time?

A Well, I certainly believed it, yes.

Q And has it since not proved to be true?

A It surely has -- at least, some of those properties do not give me anything like that.

Q In your statement 398 you make no mention of any assets of Ideal Homes.

A No.

Q You didn't think it was worth very much as far as putting on a paper for an asset?

A No, it was certainly looking as though it were a complete loss.

3-M-13

A. J. Hooke - Gill Ex.

Q And you didn't disclose it as a liability?

A As a liability?

Q You didn't -- .

A Yes.

Q -- show that you felt any of the debts of Ideal Homes were a liability to you; is that right?

A Well, I don't see it there, that is true.

Q Well, why wouldn't you put it there as a liability if you felt such a personal responsibility as you have outlined today?

A I was dealing with myself as an individual there, and not with a company.

Q But when you made up that statement Exhibit 398, you knew the situation of Ideal Homes?

A Yes, I did, and I think I have already explained that I was constantly expecting that the matter of Ideal Homes would be so completed that it would stand on its own feet. As far as I was concerned I could wait until that time before I could honestly say that -- that I had any equity that would amount to anything. At that moment it certainly looked like a loss.

Q In the meantime you borrowed another \$45,000.00?

MR. CLEMENT: Not another forty-five thousand.

Q MR. GILL: No -- well, the \$45,000.00 of November of 1965.

A I think I have explained that already, sir.

Q In your statement Exhibit 452 you used these words to the

3-M-14

A. J. Hooke - Gill Ex.

Q (Cont.) Land Sales Committee:

"Please understand me when I say I'm not trying to
accuse anyone of deliberately harming this company."

That is what you said.

A Yes, I did.

Q But you did feel that somebody may have been deliberately
attacking you through this company?

A I can't say that because I have been on friendly terms
with the various individuals in the Civic Block, and I have
been on first-name terms with many of them for a long time,
and it seemed to me rather a case of them having to take
care of larger organizations rather than some small
little company that didn't mean much to the City of
Edmonton, for instance, but which meant a great deal to
four people, but so far as the City is concerned it could
mean practically nothing, and it was more neglect of doing
something rather than someone deliberately setting out to
do something.

Q This neglect being by whom? Any one particular person?

A No, I wouldn't say so, Mr. Gill.

Q Just the Council of the City?

A No, to be fair to Council I would suggest that Council was
totally unaware so many times, and I didn't run around
talking to Council members about these things, and I doubt
if anyone else did.

Q Your statement Exhibit 452 goes on to say:

"When this exchange was not finalized" ---

3-M-15

A. J. Hooke - Gill Ex.

Q (Cont.) that would be the Buena Vista exchange, would it?

A Would you read it a bit further, please, for me?

Q "Please understand me when I say that I'm not trying to accuse anyone of deliberately harming this company. However, when this exchange was not finalized, Ideal Homes was out of business and to prevent bankruptcy I was forced personally" ---

Now, which exchange are you referring to?

A That exchange, Mr. Gill, is the one which had been arranged consisting of four lots -- .

Q Down by the railroad?

A By the large elevator.

Q Outlined, I think, in green on the map, Exhibit 368, just to the east of the Federal Grain terminal?

A No, that is -- if I am right looking at it from here, that is the site that was originally leased from the City by Ideal Homes.

Q I see.

A And the one which we had been offered was just north of the tracks.

Q Well, that's what I am indicating: the four green lots are north of the tracks immediately to the east of the Federal Grain -- the federal Crown land, on which the grain terminal is, and your lease for Ideal Homes in 1950 and '51 is marked in yellow south of the tracks.

A I can't see that from here.

MR. MAYNARD:

Go and take a look at it.

3-M-16

A. J. Hooke - Gill Ex.

A Excuse me.

Q MR. GILL: Would you just come over and take a look?

A Yes, I am -- .

MR. GILL: You see, there is a yellow indicated there, and that is the original lease of land from the City, is it not?

A Yes.

Q And the green immediately to the east of the grain terminal is the suggested exchange property?

A It runs up and down this way. I don't know who has marked this in. This is marked in incorrectly.

Q I see; thank you. It was that exchange you have reference to in Exhibit 452?

A Yes.

Q And then you go on and say:

"I was forced personally, being the only one of the four partners" --

you regarded yourself as a partner in Ideal Homes, I take it?

A Well, I suppose I could have been more specific and said "shareholder".

Q "-- owning a couple of pieces of property which could be mortgaged."

You were the only one of the four that had property, I take it that's what you're saying -- is that right -- that could be mortgaged?

A Well, I certainly knew that my brother didn't and my

3-M-17

A. J. Hooke - Gill Ex.

A (Cont.) brother-in-law didn't -- I was well aware of that.
As far as Mr. Campbell was concerned, I couldn't say.

Q " -- to raise over \$30,000.00 to pay off the
current debts, to keep the company out of
bankruptcy."

That's not quite right, is it? You raised the \$30,000.00
to pay off the Treasury Branch, one debt?

A Well, as I said before, I may have transposed those figures
or -- I did not think it was necessary to be all that
specific in a letter such as this, and I hurriedly got up
the document at the request of Commissioner Hamilton so
as to place in the hands of the committee some information
upon which they could make a decision.

Q You go on, sir, and you say in Exhibit 452:

"I should mention in passing that I disposed of my
interest -- which, after all, was only a \$2,400.00
one ---."

That was your initial investment?

A To start with \$2,400.00.

Q " -- to the other partners on May 2nd, 1953."

That's when you resigned as a shareholder, was it not, sir?

A Yes.

Q " -- but agreed to remain on as a non-participating
director until such time as the difficulties we
were encountering were overcome."

That's what your statement reads, that you were a non-
participating director.

3-M-18

A. J. Hooke - Gill Ex.

A Yes.

Q And that continued on and is actually the state of affairs today, is it not?

A No, I wouldn't say that.

Q Isn't that how you regard yourself in fact?

A No, I do not.

Q Well, when do you say you ceased to become a non-participating director?

A Well, it would certainly be on the day that you just mentioned, January 1st, 1955. Certainly I have retained an interest as a creditor.

Q You go on in Exhibit 452 and you say:

"I should mention that from newspaper reports it has been stated that I shall be a part-owner of the proposed nursing homes. Please be assured that this is not in any way true."

You actually, I think, had been in touch with your friend Mr. Wener in Calgary?

A May I say, Mr. Gill, that Mr. Wener had been in touch with the City officials for some time, endeavouring to secure at that time four sites, as I understood it, for four different nursing homes, and on one occasion had asked concerning what used to be the Ideal Homes' site. He knew of it because the operations of his company are very, very close, only a matter of two or three hundred yards away from the original Ideal Homes' site.

Q Which company is that? Is that his cement company?

3-M-19

A. J. Hooke - Gill Ex.

A It would be Conforce.

Q C-o-n-f-o-r-c-e?

A Yes.

Q And you had known Mr. Wener for some time?

A Many, many years.

Q And he is a major investor in nursing homes in the Province of Alberta?

A I understand that he is. I don't know Mr. Wener's business, but I understand that that is true.

Q He has told you that, has he not?

A Yes, he has.

Q And you were hoping to have him get the land rezoned in the Buena Vista area so that he could put up a nursing home?

A Mr. Gill, might I say that this was not my idea in the first place, nor the idea of Ideal Homes. This came about as a result of the recommendation of Commissioner Hamilton himself.

Q But whose idea was it to put nursing homes on?

A Commissioner Hamilton's and Commissioner Menzies.

Q It wasn't Mr. Wener's idea originally?

A So far as he was concerned, he was asking for some sites. I don't think he was too concerned, so long as he could be satisfied after seeing the site that it would serve his purpose.

Q Have you been associated with Mr. Wener in any other projects?

A Not in anything, sir, no.

3-M-20

A. J. Hooke - Gill Ex.

THE COMMISSIONER:

I think, Mr. Gill, that we can

adjourn until tomorrow morning at nine o'clock.

MR. GILL:

Tuesday morning, sir?

THE COMMISSIONER:

Oh, Tuesday morning, yes, I'm sorry.

Tuesday morning.

(Adjourned at 1 P.M.)





